

300062

JPRS-LAM-84-095

22 August 1984

Latin America Report

19980828 047

DTIC QUALITY INSPECTED 4

DISTRIBUTION STATEMENT A

Approved for public release;
Distribution Unlimited

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

9
127
A07

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

22 August 1984

LATIN AMERICA REPORT

CONTENTS

INTER-AMERICAN AFFAIRS

Reportage on Remarks Made at Nassau CARICOM Meeting (THE TRIBUNE, 30 Jun, 9 Jul 84).....	1
Bahamas Foreign Minister, by Rosemarie Johnson Grenada's Brathwaite, by Dilette Thompson	
Guyana Notes Favorable Remarks by Seaga on Relations (George Baird; SUNDAY CHRONICLE, 8 Jul 84).....	4
Briefs	
French Caribbean Envoys	5

ARGENTINA

Minister Carranza Says Country May Have To Import Oil (LA PRENSA, 16 Jul 84).....	6
Briefs	
Offshore Oil Exploration	8
Energy Production	8

BAHAMAS

FNM's Right To Hold Protest March Contested, Affirmed (THE TRIBUNE, various dates).....	10
Government Attempt at Control, by Anthony Forbes	
Plans for Protest March	
PLP Plans, by Marcia Bethell	
Rejection of FNM Application	
FNM Vow To March, by Marcia Bethell	
Confiscation of Placards, by Athena Damianos	
Denial of Split in FNM, by Athena Damianos	

Attorney General's Warning
 Turnquest at FNM Rally, by Anthony Forbes
 Invalidity of Police Action, by Anthony Forbes
 FNM Indictment of PLP

Isaacs Exhorts FNM To Prepare for General Election (THE TRIBUNE, 2 Jul 84).....	22
FNM Youth Demand Resignation of PLP Officials (THE TRIBUNE, 4 Jul 84).....	24
PLP Hit for Moving Toward One-Party, 'Police' State (THE TRIBUNE, 3, 13 Jul 84).....	25
Archer at BUT Meeting, by Colin Higgins Isaacs at FNM Rally, by Marcia Bethell	
Workers Party Leaders in Court on Sedition Charges (Natasha Chea; THE TRIBUNE, 29 Jun 84).....	28
Union Leader Hits PLP, FNM for Stalling on Labor Law (Dilette Thompson; THE TRIBUNE, 28 Jun 84).....	30
Annual Report Details Problems in Police Force (THE TRIBUNE, 12 Jul 84).....	32

BELIZE

PUP Pre-Election Campaign Conduct Criticized (THE BEACON, 21 Jun 84; AMANDALA, 20 Jul 84).....	33
Courting of U.S. 'Deception' Charge Popular PUP Supporters	
Musa Said To Be Seeking Closer Ties to Cuba (AMANDALA, 27 Jul 84).....	36
Government Shifts Contract From Local to Firm Linked With Cuba (THE BEACON, 21 Jul 84).....	37
IMF Pressure Brings 'Painful Conditions' No Security (Editorial; DISWEEK, 22 Jun 84).....	38
PUP Government Plans To Regulate Shopping Habits (THE BEACON, 28 Jul 84).....	40
Police Hit for Failure To Probe Drug Allegations (Editorial; AMANDALA, 29 Jun 84).....	41

U.S. Pressure Distorts Government's Nonalignment Policy (Editorial; DISWEEK, 15 Jun 84).....	42
-------------------------------------------------------------------------------------------------	----

BRAZIL

Poll Shows 45.3 Percent Favoring Neves Candidacy (FOLHA DE SAO PAULO, 28 Jun 84).....	44
High Command Rejects Military Solution to Succession (Tarcisio Holanda; CORREIO BRAZILIENSE, 6 Jul 84).....	46
Sale of 500 Tucano Aircraft Possible by End of Year (FOLHA DE SAO PAULO, 13 Jul 84).....	49
Briefs	
Swedish Howitzer for Army	50
Arms Exports Profit	50
Gold Production Rise	51

CHILE

Splintered Nationalist Parties Describe Platforms (EL MERCURIO, 15 Jul 84).....	52
Nationalist Union Requests Debt, Mining Policy Changes (EL MERCURIO, 15 Jul 84).....	58
New Petroleum Deposit Discovered in Tierra del Fuego (Francisco Eterovic; EL MERCURIO, 15 Jul 84).....	60
Imports Rise, Exports Stable (EL MERCURIO, 25 Jul 84).....	62
Sugar Import Tariff Imposed (EL MERCURIO, 26 Jul 84).....	64
Minister Discusses Agricultural Reactivation (EL MERCURIO, 26 Jul 84).....	66
Antarctic Tourist Program Designed To Promote Sovereignty (EL MERCURIO, 24 Jul 84).....	68
Briefs	
Renegotiation Boosts Reserves	69
PADENA To Join ADENA	69
More Unions, Fewer Members	70
Arab Conglomerate Controls BHC	70

CUBA

- Malmierca, Congolese Foreign Minister Issue Joint Statement
(BOHEMIA, No 25, 22 Jun 84)..... 71

DOMINICAN REPUBLIC

- Santiago Free Trade Zone Reports Expansion
(LISTIN DIARIO, 29 Jun 84)..... 76

GRENADA

- NDP Seeks To Contest Seats in 5 of 15 Constituencies
(TRINIDAD GUARDIAN, 31 Jul 84)..... 78

- Gairy Warns Against Any Postponement of Elections
(TRINIDAD GUARDIAN, 30 Jul 84)..... 79

- Falling Prices, Labor Unrest Hurt Nutmeg Industry
(TRINIDAD GUARDIAN, 31 Jul 84)..... 80

- Briefs
Carriacou Airstrip, Jetty 82

NETHERLANDS ANTILLES

- Briefs
U.S. Visit Disappoints Croes 83
Hong Kong Investors Sought 83

PERU

- IU Strategy, Tactics Revealed in Internal Document
(Pedro Planas; OIGA, 23 Jul 84)..... 85

- Japan To Invest in Southern Industrial Development
(EL COMERCIO, 15 Jul 84)..... 89

- Briefs
Senator Criticizes PETROPERU Management 90
PETROPERU, Japan Disagree 90
Army, Police Authority Outlined 90
Israel To Purchase Tarwi 91

ST CHRISTOPHER-NEVIS

- Briefs
New Opposition Leader 92

SURINAME

Rice Being Used as Payment for Imports (ANP NEWS BULLETIN, 30 Jul 84).....	93
-------------------------------------------------------------------------------	----

Briefs

New Ambassador to Belgium.....	94
--------------------------------	----

TRINIDAD AND TOBAGO

Tapia House Leader Hits Government Failures in Democracy (EXPRESS, 23 Jul 84).....	95
---------------------------------------------------------------------------------------	----

Minister Defends PNM, Predicts Expanded Parliament (TRINIDAD GUARDIAN, 28 Jul 84).....	97
-------------------------------------------------------------------------------------------	----

JNT-Government Talks Stalled; Team Eyes Possible Showdown (Kit Roxburgh; TRINIDAD GUARDIAN, 2 Aug 84).....	98
---------------------------------------------------------------------------------------------------------------	----

DEWD Workers, Ministry Form Team To Evaluate Program (Suzanne Morris; TRINIDAD GUARDIAN, 28 Jul 84).....	100
-------------------------------------------------------------------------------------------------------------	-----

Productivity Council Calls for Coordination on Imports (TRINIDAD GUARDIAN, 2 Aug 84).....	101
----------------------------------------------------------------------------------------------	-----

Government Needs To Borrow \$478 Million in 1984 (EXPRESS, 19 Jul 84).....	103
-------------------------------------------------------------------------------	-----

Treasury Offers Explanation for \$600 Million Discrepancy (TRINIDAD GUARDIAN, 28 Jul 84).....	104
--------------------------------------------------------------------------------------------------	-----

DEWD, 'Political Monster,' Hit by Press, Tapia House (SUNDAY GUARDIAN, 29 Jul 84; TRINIDAD GUARDIAN, 1 Aug 84).....	106
------------------------------------------------------------------------------------------------------------------------	-----

GUARDIAN Criticism

Tapia Call for Revision

Opposition Alliance, ONR Form Umbrella Group--NAR (Clevon Raphael; TRINIDAD GUARDIAN, 31 Jul 84).....	110
----------------------------------------------------------------------------------------------------------	-----

VENEZUELA

Debt Renegotiation Plans for \$22 Billion Announced (EL UNIVERSAL, 13 Jul 84).....	112
---------------------------------------------------------------------------------------	-----

Carlos Andres Perez Discusses Foreign Debt, Other Issues (Carlos Andres Perez Interview; EL NACIONAL, 16 Jul 84)....	114
-------------------------------------------------------------------------------------------------------------------------	-----

INTER-AMERICAN AFFAIRS

REPORTAGE ON REMARKS MADE AT NASSAU CARICOM MEETING

Bahamas Foreign Minister

Nassau THE TRIBUNE in English 30 Jun 84 pp 1, 13

[Article by Rosemarie Johnson]

[Excerpts] THOSE CARICOM states in close proximity to a "giant neighbour," find it difficult to maintain political independence, said Minister of Foreign Affairs Paul Adderley today. He singled out the Bahamas as being particularly vulnerable.

Without referring specifically to the US intervention in Grenada, Mr Adderley said the extraterritorial extension of domestic laws is unacceptable as it ignores the principles of international law and sovereign equality of states as provided for under the charter of the United Nations.

Member states of CARICOM are small states, said Mr Adderley explaining that this poses several problems. "For some of us who happen to be in close proximity to a giant neighbour, it is difficult to maintain that sovereign identity, political independence and territorial integrity. The Bahamas is particularly vulnerable in this regard." The closest Bahama island is a mere 50 miles from the Florida coastline.

Unless there is agreement to accept "the ideological plurality" of the Caribbean region, including both its island and mainland states, the region will be plagued by friction, potential military conflict and the constant threat of political instability, said Mr Adderley.

He also drew attention to "a major irritant" in "our relations" with Latin America. He said "we in the sub-region" must make it clear to the mainland Latin American States that we are no longer prepared to stand by and allow them to occupy an inequitable position in international organizations, particularly the United Nations system, "every time a vacancy occurs".

The time has come for all states concerned to recognize that positions in the Latin American region ought to rotate in such a manner as to take into consideration the geographical, political and cultural diversity of the region, Mr Adderley told foreign officials at the new \$100 million Cable Beach hotel convention centre.

"We have no intention of sowing disunity in the region but the recognition of these factors could only serve to strengthen the region as a whole," he said.

The situation in South Africa continues to test the world's resolve, the Minister of Foreign Affairs said. "Our support must not wane or waver. Our solidarity with the peoples of South Africa and Namibia must be sustained."

Grenada's Brathwaite

Nassau THE TRIBUNE in English 9 Jul 84 p 1

[Article by Dilette Thompson]

[Text] COMMENTING on the security of small states, Nicholas A. Brathwaite, chairman of the interim Government of Grenada, said smaller states should get together on a regional basis to find ways to provide overall protection for one another, in addition to impressing upon the international community that the independence of small states should be respected.

Mr Brathwaite, a member of the Caricom summit of heads of Government which concluded Saturday at the Cable Beach Hotel, was seconded to his present position by the Commonwealth secretariat after the U.S.-led rescue invasion of Grenada last October. He was regional director of the Commonwealth Youth Programme.

Referring to the Cuban-backed Grenada government of Prime Minister Maurice Bishop, Mr Brathwaite said that up to last October when the U.S. invaded Grenada, Bishop's government emphasised armaments. He said the number of guns and the amount of ammunition found in the country was "unbelievable."

"We consider this in a sense to be a form of interference, a form of threat, even though the previous administration (under Maurice Bishop) would have been referring to it in the context of defence against possible aggression," Mr Brathwaite said.

He said he did not believe small states can afford to spend that amount of money on arms and ammunition but should get together instead.

Heads of Government at last week's Caricom conference expressed their concern that the security of small states continues to be seriously threatened. They observed that small states were increasingly vulnerable to external aggression and are being subjected to various forms of economic aggression, including the attempt of some states to impose extra-territorial jurisdiction.

Grenada's interim government has scheduled elections before the end of 1984. Mr Brathwaite said he has always believed the people have a right to elect the government of their choice.

"The opportunity that I have been afforded to help in the process of reconstruction, so that we can get to a point where the people of Grenada

would be able to elect a government of their choice, is a great satisfaction," Mr Brathwaite said.

The chairman said he felt strongly about the imprisoned people who were detained by Grenada's previous government for long periods of time without charges being brought against them. He expressed satisfaction that just a few weeks ago the last of such prisoners was released from jails in Grenada.

Mr Brathwaite said Grenada has reached a point where the electoral process is now underway where Grenadians enjoy freedom of speech, and where there is freedom of the press. He said he was in a way anxious to get to the final stage of elections when Grenada could return to a democratically elected government. About 48,000 Grenadians are already registered to vote, with more expected to register.

Mr Brathwaite said although he recognized the importance of politicians and elected persons in any country, he has never been personally interested in parties and politics. He said he was elected to his position simply because there was a "vacuum" in Grenada and an interim administration was needed to guide the country to electing a government of their choice.

"Before I actually assumed the position it was clearly understood that I would not be participating in the elections," Mr Brathwaite said. The upcoming elections would mean an end to his direct involvement in the government of Grenada.

CSO: 3298/1011

INTER-AMERICAN AFFAIRS

GUYANA NOTES FAVORABLE REMARKS BY SEAGA ON RELATIONS

Georgetown SUNDAY CHRONICLE in English 8 Jul 84 p 1

[Article by George Baird]

[Excerpt] NASSAU, The Bahamas--Jamaican Prime Minister Edward Seaga said yesterday his government still considers itself to have "good and strong relationships on a political basis" with the Government of Guyana.

"As Caricom colleagues we are tolerant of the differences that exist among ourselves in relation to political outlook...the fact that Guyana's political and ideological stance in a number of matters has differed from that of Jamaica, has not in any way worn down our tolerance", he told a Press conference in his suite.

Mr. Seaga said Guyana-Jamaica relations on a trade basis has not been as strong as it used to be because both countries are experiencing foreign exchange problems.

He said Guyana, in particular, has been moving to develop barter and counter-trade arrangements--a direction in which Jamaica has also moved.

Seaga described the just-concluded Fifth Summit of Caricom Heads-of-Government as one "which has moved far more smoothly than any of the Caricom meetings that have taken place since the resumption of these meetings in Ocho Rios."

The reason for this, he said, has "the absence of one country with a totally different ideological stance."

"This has made it easier for the members who are present to speak as a family having more or less the same outlook and therefore not pre-occupied with a specific problem centring around a specific country", Seaga explained.

More specifically, he went on, "the absence of Grenada, that in the past has been out of tune with the rest of its Caribbean colleagues in terms of its ideological position was the basic pre-occupation of the Ocho Rios meeting where Grenada's human rights record was questioned."

INTER-AMERICAN AFFAIRS

BRIEFS

FRENCH CARIBBEAN ENVOYS--PARIS, Tues., (AP): FRANCE has named two new ambassadors in the Caribbean. Jean LeCanellier is to be Ambassador to Guyana, residing in Port of Spain, Trinidad. Aged 62, Le Canellier was Consul-General in New Orleans, 1968-'71, and Ambassador in Bangui, Central African Republic, 1973-'76 and Ouagandougou, Upper Volta, 1976-'81, before being named Consul-General in Barcelona, Spain, in 1981. Gilbert Bochet will be Ambassador to St. Kitts and Nevis, residing in Castries, the capital of Saint Lucia. Aged 56, Bochet was adviser to the presidency of the Ivory Coast 1967-'71, Consul-General in New Orleans 1976-'80, and in Rabat, Morocco, since 1980. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 25 Jul 84 p 5]

CSO: 3298/1028

ARGENTINA

MINISTER CARRANZA SAYS COUNTRY MAY HAVE TO IMPORT OIL

Buenos Aires LA PRENSA in Spanish 16 Jul 84 p 6

[Text] The minister of public works and services, Roque Carranza, said there is a possibility that Argentina might have to proceed with "temporary oil imports" if energy demand grows, but he indicated that YPF [Government Oil Deposits] is working to "increase the number of wells in order to ensure the maintenance of our domestic supplies."

Carranza also said that "the nation's oil production is hovering at about 28 million cubic meters."

In a story in the first issue of the monthly PROYECTO ENERGETICO, published by the General Mosconi Argentine Energy Institute, which Carranza heads, the minister pointed out that Argentina "has no (oil) resources large enough to make us an oil exporter."

Another article in this publication, though, states that the energy trade in the first 4 months of 1984 showed a positive balance of \$54.5 million.

"Argentina is producing its own energy supplies at this time, and must continue to do so," said Carranza, but he also noted that "while Argentina has a variety of energy resources, it is not particularly rich in these resources."

Average Productivity

Carranza said that "this is a problem which is sometimes not sufficiently well understood. To grasp the difference, we should remember that the average productivity of our country's oil wells is approximately 10 cubic meters per day, and compare this figure with Saudi Arabia's production of 2,300 cubic meters, or with Venezuela's 700 cubic meters. This shows that we do not have enough petroleum to make us an oil exporter."

"It is true that there are resources," he added, "but they are not very abundant."

Carranza then added that "taking the example of offshore exploration, after considerable investments, only two productive areas have been found. These areas are extensions of fields on the continent, and are very close to the shore. This means that they are not the bonanza that some people thought they would be, though naturally, we have to continue our explorations."

He said that "the ESSO company has already turned back to us areas in which it had invested and drilled wells, but found no commercially exploitable resources. Only off Grande Island of Tierra del Fuego and at the mouth of the Strait of Magellan have there been finds similar to those on the continent."

Resources

The minister recognized that "it is true that in recent years there have been proportionally larger finds, but that still is not enough to let us start thinking in terms of any massive exports."

Carranza estimated that within the next 3 or 4 years there may be "a reasonable export market" for the Rio Turbio coalfield.

Carranza also reported that a bill prepared by the executive for the electricity sector will set among its basic goals the creation "of a central organization to handle the entire energy interconnection system. Water and Electricity is already working on this plan, which will also include the major hydroelectric power plants."

7679

CSO: 3348/504

ARGENTINA

BRIEFS

OFFSHORE OIL EXPLORATION--The consortium composed of Shell Hydrocarbons B.V. Petrolar S.A. and Shell CAPSA (holding 79.11 and 10 percent, respectively) has reached an agreement with YPF [Government Oil Deposits] to develop the Magellan offshore area, with an investment estimated at \$290 million. This investment would be used to confirm the existence of recoverable petroleum resources, on which the field's development plan was based. The reserves are estimated at approximately 7 million cubic meters. Between 1980 and 1982 this consortium explored four offshore areas: Rio Gallegos, the Magellan area, and San Jorge (center and north), using a total investment of \$190 million. Three of the four areas have been totally turned back to YPF. The one retained covers 10 percent of the Magellan area, and it contains the field to be developed. The plan may last until 1997, and will permit the direct hiring or subcontracting of local labor. Jobs are expected to be provided for between 400 and 500 people in the initial phase, and between 150 to 200 during the rest of the project's life. The estimated petroleum production is about 700,000 cubic meters a year for 10 years, all of which will be delivered to YPF. The price paid will be 75 percent of the FOB international price of crude at the time of the first delivery. The contract stipulates that in case of a larger daily production, exceeding 3,000 cubic meters, this percentage will decline to 64 percent, 58 percent, etc. Also, Shell has filed notice of its renunciation of its rights to payment in kind, given it by the law governing investments at risk, and by the contract itself, even after the executive had called for self-sufficiency. [Text] [Buenos Aires LA PRENSA in Spanish 10 Jul 84 sec 2 p 2] 7679

ENERGY PRODUCTION--During the first 6 months of 1984, petroleum production increased by 0.6 percent over the same period of last year, even though in July there was a 2.8 percent reduction compared with July 1983. A department of energy report shows that between January and June 1984, 14,046,900 cubic meters of petroleum were extracted. This is 88,700 more than what was produced in the same period of 1983. During these months, increases were also recorded in commercial coal extraction, up 1.8 percent; in natural gas injection, up 12.9 percent; and in electricity generated, up 7 percent. Revenue obtained from exports of petroleum

derivatives and byproducts came to \$196,304,600, 1.2 percent more than the foreign currency earned for these products during the same period of 1983. The report also states that during this period kerosene, natural gas, and mineral coal were imported, at a total cost of \$202,327,000. This is 0.9 percent less than in the same period of 1983. In July, petroleum extraction was 2,234,700 cubic meters, about 64,600 cubic meters less than in July 1983. During this 6-month period, commercial coal production was 254,800 tons; natural gas injection, 6,942.8 million cubic meters; and electricity generated, 20,439,360 megawatts. [Text] [Buenos Aires LA PRENSA in Spanish 22 Jul 84 sec 3 p 4] 7679

CSO: 3348/504

FNM'S RIGHT TO HOLD PROTEST MARCH CONTESTED, AFFIRMED

Government Attempt at Control

Nassau THE TRIBUNE in English 29 Jun 84 pp 1, 14

[Article by Anthony Forbes]

[Excerpt]

THE official opposition Free National Movement will obey the rules of the Commission of Inquiry and its President Sir James Smith, but will not abide by "any dictation" from Youth Minister Kendal Nottage because he does not have "a right" to tell the FNM what to talk about, Shirlea MP Pierre Dupuch declared at a rally last night.

Taking a look at why the FNM was holding a rally at the Eastern Parade, Mr Dupuch told the crowd of about 300 supporters: "We're here tonight in defiance of the PLP Government because this is our parade and we demand our right to use it."

Mr Dupuch then read a portion of a letter from the Ministry giving the FNM permission to use the parade last night.

But before doing so, he declared: "The Ministry is really supposed to be a sort of referee. If we apply for tonight they should say well the Girl Guides are using it tonight, maybe if its not free the next night we can use it the following night."

"But they have no right to tell us what we're supposed to talk about," Mr Dupuch said. "So long as this parade ground is free tonight and I apply for it, I am a Bahamian and I should have a right to use it."

"And I not only still have a right, I will take the right to use it," Mr Dupuch added.

Reading from the letter he told supporters: "It says here: I am directed to say that permission is hereby granted on the condition that you and your party, the Free National Movement, ensure that no speaker at such rally would infringe the rules of the Commission of Inquiry, which is now sitting, concerning public and political comment on matters being inquired into by the Commission."

"We ignored that," Mr Dupuch said. "All we wanted to know from them was if this parade ground was free."

"Now the Commission set up the rules of the Commission, not Kendal Nottage. I know tonight he wished he had set up the rules of the Commission. But Sir James Smith is President of the Commission," he said.

"Sir James Smith said that nobody is supposed to comment on what's happening in the Commission," he said.

"Now we obey Sir James Smith and the rules of the Commission but we don't obey any dictation by Kendal Nottage because he doesn't have a right to tell us what to talk about here," Mr Dupuch said.

Plans for Protest March

Nassau THE TRIBUNE in English 7 Jul 84 p 1

[Excerpts]

HAVING received the approval of a large number of their supporters to march to Parliament to demand the resignation of the Prime Minister, the Free National Movement Council met last night and fixed July 18 as the date of their march.

The march will be led down Bay Street by party leader Kendal Isaacs and party chairman Cecil Wallace-Whitfield. It will end in Parliament Square where the House of Assembly is to be in session.

The march was suggested by Mr Whitfield at a FNM rally June 28 when he asked the crowd if they were ready to

march down Bay Street and demand that the Prime Minister resign and that those persons who are in breach of the Public Disclosure Act and other laws and the nation's system of honour also resign. "Yes!" was the deafening reply from the crowd.

Mr Whitfield told his listeners that the FNM has an obligation to move the Prime Minister and the PLP from government.

Mr George Wilson, one of the organizers of Monday's march of young FNM members, said today that that march has been cancelled.

Yesterday the more militant group within the FNM vowed that they would march on Monday with or without police permission. The Commissioner of Police had refused to give the group permission for the march on the eve of the Independence celebrations.

PLP Plans

Nassau THE TRIBUNE in English 9 Jul 84 p 1

[Article by Marcia Bethell]

[Excerpts] ONE DAY after the Free National Movement announced plans for a July 18 march to Parliament to demand the resignation of the Prime Minister, PLP National Chairman Brenville Hanna announced plans for a PLP march on the same day to show confidence in the "greatest leader the region has ever seen."

This is the second attempt by the PLP to counteract a demonstration against the Prime Minister. The first was on October 5 when the Trade Union Congress demonstrated their displeasure with the Prime Minister over the firing of BUT secretary general A Leonard Archer.

Making his announcement yesterday Mr Hanna said: "It is now increasingly apparent that the FNM intends to make good its earlier threat to the peace, prosperity and well-being of the nation as foreshadowed by Mr Whitfield when he told last year's convention to prepare for civil disobedience."

Mr Hanna said he would write a letter to the Commissioner of Police today requesting permission for the PLP to demonstrate in front of Parliament whenever the FNM demonstrated.

Today the FNM received full support for their march from a number of outspoken Bahamians who felt that in a democratic society the citizens have every right to voice their opinions, disgust or displeasure over what is happening in their country.

Union Leader Leonard Archer feels strongly that the time is now for Bahamians to take to the streets and voice their "disgust at how they and the country are being disgraced."

"Democracy suggests that when people are dissatisfied with the way the country is being run they have an obligation to voice their disgust and displeasure through peaceful means and bring about a change. I certainly support this march," Mr Archer said.

Mr Archer further stated that he will march with the FNM's if they are given police permission. However if they march without permission he will be unable to march because he is on three months probation. "But I will certainly be on Bay Street," he said.

It was Mr Hanna's opinion, in his announcement yesterday that the FNM were "hell bent on embarking on a course of confrontation politics." He suggested they spend their time trying to get rid of "those violent scars of 1972 than trying to whip up discord and discontent against the police force which deserves the highest commendation and praise."

However at the FNM rally Mr Whitfield reminded the FNM supporters of Black Tuesday when the Prime Minister led a march down Bay Street in protest of the then United Bahamian Party Government.

"I am looking forward to seeing Black Wednesday when a whole lot of people will come down to Parliament and tell Pindling it is time for a change. LO you've got to go!" Mr Whitfield said.

Rejection of FNM Application

Nassau THE TRIBUNE in English 11 Jul 84 pp 1, 14

[Excerpt] THE OPPOSITION Free National Movement were informed by the Commissioner of Police today that the party would not be permitted to march down Bay Street when the House meets July 18.

"I have received an application from another political party to demonstrate outside the House of Parliament on the same date and time. I fear that if these demonstrations are allowed it may lead to a confrontation between the two groups, which could result in a serious breach of the peace," Commissioner of Police Gerald Bartlett said in a letter to party chairman Cecil Wallace-Whitfield. The Commissioner was referring to an application by PLP members, who announced, after the FNM had made its intentions public, that they would also march to show support for the Prime Minister. In their statement the PLP said they would march whenever the FNM marched.

FNM Vow To March

Nassau THE TRIBUNE in English 2 Jul 84 p 1

[Article by Marcia Bethell]

[Excerpts] "WE WILL march!" declared Free National Movement Party leader Kendal Isaacs at a press conference today.

At a late night council meeting the executive and Parliamentary Group of the Free National Movement unanimously agreed to march onto Bay Street and demonstrate outside the House of Assembly on July 18 despite permission for the march being turned down by Police Commissioner Gerald Bartlett.

At a press conference this afternoon the party leaders stressed that they are not breaking the law, but exercising their constitutional rights for free political expression. They said the move is a political action that many people feel is "long overdue."

"We have no doubt," said Mr Isaacs, "that the Commissioner's decision was made after consultation with the government and that it was motivated by political bias. The excuse that another political group had applied to have a demonstration on the same day and at the same place is a very thin one which would leave any reasonable person totally unconvinced."

Mr Isaacs said that with this reasoning his party could be forever denied permission to demonstrate merely by having supporters of the PLP put in a counter application every time the FNM sought permission for their march. This, said Mr Isaacs, is totally unacceptable.

"The authority given the Commissioner in these matters was not meant to be used to diminish our ancient right to free political expression which we perceive to be enshrined in our Constitution. We submit that this authority is merely to assist the police in maintaining law and order while free citizens are allowed to exercise their demonstrative freedoms," Mr Isaacs said.

"We will march because we are fed up with the increasingly arrogant attitude of the PLP government and the continued harassment and discriminatory tactics which they use to carry out their avowed intention to destroy the official Opposition of this country.

"We will march now in the face of their relentless efforts to snuff out the freedoms, common decency and fairplay to which our people have become accustomed from one generation to the other. We remind Sir Lynden Pindling and his colleagues that they were allowed the right to demonstrate freely under the previous Government two to three decades ago. My colleagues and I demand no less in 1984.

"We will march because we conceive it our bounden duty to be the focus of popular discontent with a government riddled with corruption, a government

which has destroyed the bright economic prospects of our country, a government which has long since forfeited its mandate and a government which has long since forfeited its mandate and a government which has long since forfeited any moral claim to govern a decent, free and sovereign people."

During the press conference a ZNS reporter suggested that in taking the decision to march without permission the FNM were breaking the law. However Mr Whitfield, after stressing this was not the case, pointed out that ZNS has been breaking the law for quite some time by denying the Opposition equal air time and not complying with the wishes of the people therefore ignoring the law of fairplay, decency and justice.

FNM Senate Leader Henry Bostwick then pointed out: "Bahamians already know who the real lawbreakers in the country are."

Confiscation of Placards

Nassau THE TRIBUNE in English 14 Jul 84 p 1

[Article by Athena Damianos]

[Excerpt]

POLICE swooped down at six roundabouts this morning and confiscated placards from FNM Parliamentarians and supporters.

MPs, babies and friends gathered at the roundabouts at 6.45 am with placards and leaflets promoting next Wednesday's "Freedom March" to the House of Assembly. The FNM has announced that it will boycott the House that day.

Motorists responded merrily to the "Honk and Wave" message that was stamped on the front of the placards by waving and tooting their car horns as they passed. "Come Join the March" was printed on the reverse side.

Shortly after 9 am, four police cars and a police bus arrived at the Mackey

Street/Paradise Island roundabout where Shirlea MP Pierre Dupuch and Pineridge MP Cecil Wallace Whitfield were busy distributing leaflets. The Police confiscated the placards. Some of the passing motorists honked angrily as the police took away the placards.

At the Paradise Island roundabout, the FNM quickly scribbled "Honk and Wave" on cardboard boxes and pieces of scrap paper and waved them at the motorists.

Melvin Grant, president of the Torchbearers, the youth arm of the FNM, said that the police confiscated the placards at all six roundabouts.

Denial of Split in FNM

Nassau THE TRIBUNE in English 16 Jul 84 pp 1, 10

[Article by Athena Damianos]

[Excerpts] OPPOSITION Leader Kendal Isaacs was today adamant that the FNM will march to Parliament Wednesday in the face of purported weekend adverse comments from the PLP camp.

And Marco City MP CA Smith announced in Freeport this morning that he and Pine Ridge MP Cecil Wallace Whitfield will head a strong contingent of FNM supporters to Nassau to take part in the "Freedom March." The Opposition will boycott the House of Assembly that day.

"We certainly intend to go ahead with this. There is no question about it," Mr Isaacs said. He said that a purported PLP statement, which appeared in the morning paper, claiming that he was pressured into taking part in the march was "absolutely ridiculous."

The story, under Easlin Williams' byline, said that on Sunday the PLP released the statement calling on the FNM to cancel the march. The Tribune has not received a copy of the statement and PLP headquarters didn't have a copy.

According to the morning paper, the PLP said that the march was "carefully calculated...to destroy the peace and tranquility of the Bahamas." It also claimed that a radical wing of the FNM, headed by Mr Whitfield, had pressured Mr Isaacs and his moderates into putting into operation phase one of the chairman's plan for civil disobedience.

"There is no split in the FNM. There is no crack in the FNM. There isn't any division. The FNM is unanimous in its decision to march. The leader and the chairman are locked arm in arm to see that a good government is put in this country," Mr Whitfield said.

"What they're (PLP) trying to do is blame us for destroying the economy. They're trying to build up that impression in the minds of their staunch supporters and as many of the people as possible," Mr Isaacs said.

As far as he is aware, the FNM has no "moderate" or "radical" wing.

Mr Whitfield pointed to PLP chairman Brenville Hana's statement that "in the final analysis, the nation will hold the FNM responsible and accountable for their actions." He said this seems to suggest that Mr Hanna has information in advance that the police intend to use force.

"The FNM intends to hold a very peaceful demonstration. We do not intend to (make trouble in any way). We only want to make our way peacefully without incident," he said.

Meanwhile, Marco City MP Smith, at a press conference in Freeport this morning, announced that he will head a strong contingent of supporters to Nassau. He made the announcement during a press conference at Mr Whitfield's Freeport law offices.

"Over the years the Bahamian people have experienced a continual erosion of their constitutional rights. Step by step and year by year our rights and freedoms are being taken away by the PLP Government," Mr Smith said.

He said that freedom of life and liberty, and freedom of speech, assembly and association are gradually being taken away from the people.

"In the past two years, we in the FNM have acted with great patience and restraint in the face of injustice meted out to our supporters. The PLP has mistaken our tolerance for weakness, but we are tired of this PLP foolishness. We are tired of victimization. We are tired of joblessness among the youth. We are tired of abuse of political power by the PLP," he said.

Attorney General's Warning

Nassau THE TRIBUNE in English 17 Jul 84 p 1

[Excerpt]

ATTORNEY GENERAL Paul Adderley in a statement issued last night claimed that no lawful procession can be held without the approval of the Commissioner of Police and any one taking part in such a procession is "guilty of an offence and liable to be fined for that offence."

Quoting from section 230(33) of the Penal Code Mr Adderley said: "Every person who holds or takes part in any procession in any public street or place without previous written permission of the Commissioner of Police is guilty of an offence and liable to be fined for that offence."

Mr Adderley said that his attention has been drawn to public statements made by polit-

ical persons who have claimed that they have the lawful right to march in a procession without the approval of the Commissioner of Police notwithstanding the clear provisions of the law.

It has also been claimed, he continued, that the Commissioner of Police has no power to prevent persons holding or taking part in a procession which is a right contained in the Constitution.

"The public is therefore reminded that in spite of this inaccurate information, which has and is being communicated to them, no lawful procession can be held without the approval of the Commissioner of Police. Any person who takes part in such a procession commits a criminal offence and is liable to be charged before a Magistrate's Court."

Turnquest at FNM Rally

Nassau THE TRIBUNE in English 17 Jul 84 p 1

[Article by Anthony Forbes]

[Excerpt] FNM SHADOW Attorney General Orville Turnquest, replying to yesterday's warning by Attorney General Paul Adderley of possible prosecution in the Magistrate's Court of those participating in Wednesday's march on parliament, declared last night: "What is needful is lawful."

"Tonight, as the man who has the privilege of being appointed by our Leader to watch the present Attorney General (Paul Adderley), I want to tell him that what is needful is lawful," the Montagu MP told over 1,000 supporters at a "Freedom Rally" at the Yellow Elder Park last night.

"We know what our fundamental rights are and we know what the ordinary laws of the land are, good laws, which have been promulgated for the ordinary and even discipline of the ordinary affairs of a country," said Mr Turnquest who told the rally that he was called back to Nassau from a distance of 4,000 by Opposition Leader Kendal Isaacs. Mr Turnquest, who was in London, arrived in Nassau Sunday evening.

"But there comes a time, particularly when evil men use good laws to perpetrate their evil ways and prevent good, honest and decent citizens from their fundamental rights and freedoms enshrined in our constitution, there comes a time when what is needful is lawful," he said.

Noting that the first newspaper he picked up upon his return to Nassau Sunday night was the Nassau Guardian which has as a headline "the evil and corrupt PLP" daring to tell the Official Opposition what it must do and what it must not do.

"Those of us who value what we have, the freedoms that we ought to have, the right for our children to grow up in a land which is free, and the opportunities which we ought to provide, there comes a time when, if the law is wrong, it must be changed," the Shadow Attorney General said.

"And there are many ways to change the law, just as there are many ways to stop corrupt and oppressive men," he said.

"Our Leader and our Party has said that following in long, long tradition when men want to demonstrate against what is wrong, we must march on an occasion when that march will demonstrate what we feel, what we believe in," he said.

"In every country in the

world which purports to call itself free, this is a recognized way for peaceful citizens to demonstrate for what they believe and against what they do not believe," Mr Turnquest said.

He recalled that just four weeks ago in England when seven Heads of State were meeting, including British Prime Minister Margaret Thatcher, US President Ronald Reagan and West German Chancellor Helmut Kohl, a crowd of 30,000-strong were allowed to march to demonstrate against Britain and the United States and the placing of the nuclear missiles in England.

"And here, we are told that we can't march because those other fellows want to march. Here we are told that we can't even demonstrate on some other day if we allow them to march on the day by themselves that they want to march," Mr Turnquest said.

"Well, I must adopt the words given recently at another forum not far from here by a very well known gentleman by the name of (Everette) Bannister, when he told the President of the Commission (of Inquiry): 'you must do what you must do and we must do what we must do,'" the Montagu MP said.

Invalidity of Police Action

Nassau THE TRIBUNE in English 17 Jul 84 pp 1, 10

[Article by Anthony Forbes]

[Excerpt]

OPPOSITION Chairman Cecil Wallace-Whitfield told a "Freedom Rally" last night that the reason the Police Commissioner Gerald Bartlett gave a week ago for refusing the FNM permission to demonstrate in parliament square tomorrow, is no longer "valid today" as the PLP's decision not to march that day rules out any confrontation.

"Gerald Bartlett, Paul Adderley and Lynden Pindling better start thinking again," Mr Whitfield, MP for Pine Ridge, Grand Bahama, told over 1,000 supporters attending a rally at the Yellow Elder Park in preparation for Wednesday's planned march on parliament. "When the FNM applied for permission to march on Bay Street, the reason they said no was because they said the PLP

had applied to march and there may be a confrontation," he said. "Well by damn those cowards have backed down."

"And the reason which he gave a week ago, today is no longer valid because the PLP are saying there will be no confrontation, there will be no march by them, therefore there is only one political party that is marching for freedom and that is the Free National Movement," he said.

"And so Mr Bartlett, since your reasons for preventing us from marching down Bay Street has gone, Wednesday come, I expect for you to clear the way and say: come brothers, help and free this land from the tyranny and the oppression of L. O Pindling and the PLP," Mr Whitfield declared.

FNM Indictment of PLP

Nassau THE TRIBUNE in English 17 Jul 84 p 7

[Text]

Last week the Free National Movement applied to Commissioner of Police Gerald Bartlett for permission to march onto Bay Street and to demonstrate outside the House of Assembly on July 18, 1984, when the House is scheduled to meet.

The Commissioner refused us permission to march stating:

"I have received an application from another political party to demonstrate outside the House of Parliament on the same date and time. I fear that if these demonstrations are allowed, it may lead to a confrontation between the two groups, which could result in a serious breach of the peace..."

The Leader of the Opposition, Mr Kendal G L Isaacs, has already responded to this excuse on the part of Mr Bartlett in a press release last week Thursday when he said:

"We have no doubt that the Commissioner's decision was made after consultation with the Government and that it was motivated by political bias. The excuse that another political group had applied to have a demonstration on the same day and at the same place is a very thin one which would leave any reasonable person totally unconvinced. By this reasoning the Opposition could be forever denied permission to demonstrate merely by having supporters of the PLP put in a counter application every time we seek permission. This is totally unacceptable.

"The authority given the Commissioner in these matters was not meant to be used to diminish our ancient right to free political expression which we perceive to be enshrined in our Constitution. We submit that this authority is merely to assist the police in maintaining law and order while free citizens are allowed to exercise their democratic freedoms. We further submit that any particular refusal of permission to march or demonstrate must be based on genuine cause which can be accepted by any reasonable person."

The position taken by the Commissioner seems even more untenable due to the announcement that the other political party has subsequently announced that it will not march on July 18.

Nevertheless, the Commissioner has still not given the FNM permission to march. Instead, he held a press conference where he made a statement but refused to answer frankly the question:

"Who applied for permission to demonstrate first?"

The FNM and its supporters have been subjected to a barrage of propaganda from the Commissioner, the ruling party and the Attorney General, all designed to intimidate us. As usual these are carried fully and frequently by ZNS Radio and Television. And, as usual ZNS are completely ignoring public meetings held by the Opposition to deal with this matter.

The reasons why the FNM has decided to march is because of the sad state to which the country has been reduced by Prime Minister Sir Lynden Pindling, his Ministers and all of the members of Parliament who support the Government.

- They have ruined the economy of the country, resulting in massive unemployment problems involving school leavers. Thousand of young Bahamians have been unable to find jobs since leaving school in the 1970s. As a result there has been a breakdown in law and order and an upsurge in criminal offences committed by young people.

- They have used ZNS as a private tool of the PLP. They have prostituted that national institution for their own partisan benefit. They have discriminated against the Opposition, refused to allow anywhere near equal time in giving our views on national issues. They have discriminated against other segments of the community including trade unions by refusing to allow them adequate time to give their point of view in areas of dispute.

- They have shown contempt for the right to freedom of expression as guaranteed in the Constitution, not only by their bias at ZNS but by continued harassment of the Opposition in the exercise of its traditional rights and freedoms. They have also harassed the Opposition in the Family Islands, depriving them of keys for public buildings and attaching unreasonable conditions for the use of other public facilities for meetings.

- They have announced and relentlessly pursued a policy of discrimination and victimization against Opposition members and supporters at all levels. Prime Minister Sir Lynden Pindling himself at a Convention brazenly announced a policy of jobs for "PLPs only." Other Government Ministers like Philip Bethel have claimed: "God gave this country to the PLP." In the Family Islands they have set upon supporters of the Opposition with cruel victimization in total contravention of the Constitution and have ignored Christian principles and natural justice.

- They have ridiculed others spitefully and disrespectfully as in the case of Leonard "Boston Blackie" Miller whom the Prime Minister made fun of on the national radio; Judymae Lewis, a supporter of the FNM who was abused by PLP members on the floor of the House of Assembly, and a ZNS employee who

Kendal Nottage, Minister of Youth, called a "mere messenger." Prime Minister Pindling also made fun of the Reverend Carlton Francis, a man who was ill at the time. They have demonstrated their arrogance by holding less fortunate people in contempt.

- They have attacked an abused in the most wicked and disgraceful fashion leaders of the church, such as the Reverend Charles Saunders. Government Senators such as Paul Adderley and Dud Maynard and the PLP's mouthpiece, The Herald, have abused and viciously attacked the Reverend Saunders. The PLP's paper has also on occasion attacked the Rev Charles Smith, and Dud Maynard on another occasion launched an intimidating attack against the Anglican Bishop of the Bahamas, the Right Reverend Michael Eldon.

- They have failed miserably to upgrade the living conditions of our brothers and sisters in the Family Islands by refusing to encourage the proper level of economic development in tourism, agriculture and light industries. The people in the Family Islands have been callously neglected by this Government leading to more and more hardship.

- They have relentlessly pursued a policy of destruction and retardation of progress in the second city, Freeport, throughout their term in office. The Prime Minister himself from the very beginning threatened Freeport with destruction and as late as 1982 promised to "deal with Freeport." As a result of that, Freeport, which could have absorbed all the people who are now unemployed, is almost a dying city. Hotels, including two Government ones, are closed. The Bahamas Oil Refining Company in front of which Sir Lynden Pindling led a demonstration, has cutback on staff and other business places have closed their doors. The Prime Minister's disgraceful performance before BORCO was aided and abetted by Dud Maynard, while no dispute was going on at the company.

- They have enunciated and implemented incredibly foolish policies which appear deliberately designed to destroy investor confidence, thereby

contributing to the misery the Bahamian public has to bear. They have come up with no economic plan for the country. One of their ill-conceived policies is the co-called Land Policy, which shattered what little confidence was being regained.

- They have allowed shameless peddling of political influence by some of their cronies, flunkies and bagmen. This has brought the country into disrepute and disgrace in the eyes of the outside world and has reflected adversely on the entire nation.

- They have mounted a gradual but persistent policy obviously designed to alienate the Bahamas from our traditional friend and chief trading partner, the United States of America. Both the Prime Minister and the Attorney General, Paul Adderley have contributed most to the furtherance of this most ill-conceived policy by their public statements. At the same time they have alarmed the Bahamian nation by showing a growing tendency for communistic ideas and associates. We note that of all the foreign guests in Nassau for Caricom, only Forbes Burnham stayed over for our Independence celebrations. Burnham has a close association with Fidel Castro of Cuba - and runs a dictatorial leftist regime in Guyana. We recall again the fact that the PLP Government failed to support the US intervention in Grenada and at the time Foreign Minister Paul Adderley made very strong condemnations of the American rescue operation. We note with interest that Mr Adderley was quoted by the

Foreign Minister Paul Adderley made very strong condemnations of the American rescue operation. We note with interest that Mr Adderley was quoted by the official Cuban newspaper Granma as having made the strongest statement in Washington condemning the intervention. We regard this direction in our foreign affairs as fraught with danger for the peace, security and prosperity of the Bahamas nation.

- They have made a mockery of our ancient and honourable institutions including the House of Assembly where the rules are frequently abused to serve the narrow partisan interests of the PLP. They have scoffed at FNM motions for their constituencies and the good of the country in general, and every year at Budget time they have gone through a fraudulent exercise of making more false promises and forecasting expenditures of vast sums of money. No less a person than the Deputy Prime Minister has admitted in parliament that these promises and announced expenditures do not, in fact, indicate the true intention of the Government. At one session of the House of Assembly they voted salary increases for parliamentarians and huge increases for Ministers, particularly the Prime Minister, despite protests by the Opposition. At the same meeting they voted against an increase in the old age pensions which was proposed by the Opposition. It will also be remembered that on this historic occasion, the Government had jailed demonstrators and kept them incarcerated for almost 24 hours as the House went into unprecedented all night session.

- They have failed to extend to many persons the right to citizenship guaranteed them under the Constitution. Many of these people who now have no roots except their roots in the Bahamas, and who have Bahamian homes and families have been waiting for a decade for a definitive answer from Government as to their status. They have used their power to smash Bahamian families, by deporting the fathers of some of these families.

- They have failed to institute a system of local Government throughout the Commonwealth. They have persisted in retaining the colonialist system of centralized administration which is totally inadequate needs of the country. Material progress and the growth of democracy at the grassroot level has been retarded.

Ministries and Department such as the Hospital and Health Services and our sprawling public school system are still not disestablished. As a result hospital and health services and public schools have deteriorated to an alarming degree.

- They have, despite the hundreds of millions of dollars and despite the massive borrowing they have undertaken, failed to maintain and develop the infrastructure of the country. Hence, all over our Bahamas today we see public buildings in disrepair. Airports, roads, docks and schools and other facilities are falling to pieces and in some cases posing a danger to life and limb for many of our citizens.

- They have failed to modernize and upgrade the electoral system, so that Bahamians can be better able to exercise without fear and in an atmosphere of freedom, the democratic rights guaranteed to them under the Constitution. Indeed, during the last general elections, they brazenly abused the system by a last-minute change in the interpretation of the law after 20 years of practice. They have indulged in naked intimidation during the election process.

- They have failed to keep rampant crime under control. Today the Bahamas, which used to be one of the most tranquil and safest places, now numbers among the top 10 in violent crime throughout the world. Violent crime, especially rape and other offences against women has now become an everyday occurrence and thousands of our women and other citizens live in fear whether they are on

other offences against women has now become an everyday occurrence and thousands of our women and other citizens live in fear whether they are on the streets or in their homes.

- They have failed also to bring under control the trafficking of illegal drugs in and through the Bahamas. With the result that drug abuse now threatens to destroy the nation. This trade has distorted our traditional values and has exposed thousands of young Bahamians to physical, mental and spiritual destruction. We recall that in 1980 when Prime Minister Pindling was asked about the drug trade, he responded that it was an American mess and Americans should clean it up. For years they have allowed notorious characters to romp through the Bahamas contributing to the destruction of the tourist trade, particularly yachting. They have allowed a mockery to be made of Bahamian sovereignty as one notorious drug dealer was able to boast that the flag of Colombia flew over a part of the Bahamas for four years.

The matters we have listed here are very brief and are by no means a complete indictment of the PLP Government. In the face of such a horrendous state of affairs we, the Official Opposition, deem it not only our right but our bounden duty to speak out in parliament (when it meets) and throughout the country and to hold peaceful demonstrations against this multitude of afflictions which they have heaped upon the heads of the Bahamian people.

We intend to continue to speak out and demonstrate in accordance with our ancient traditions of freedom and fairplay and in accordance with the right guaranteed us in the Constitution. Therefore we say once again to the PLP Government:

"WE WILL MARCH!"



ISAACS EXHORTS FNM TO PREPARE FOR GENERAL ELECTION

Nassau THE TRIBUNE in English 2 Jul 84 p 7

[Text]

OFFICIAL Opposition Leader Kendal Isaacs told Free National Movement supporters at a rally at the Eastern Parade Thursday night that they must "expect and be ready for an election" as soon as the Commission of Inquiry hands in its report.

Addressing about 300 FNM supporters who were on the parade grounds and many others sitting in the seemingly endless line of cars parked in the area, Mr Isaacs impressed upon every thinking person, including FNMs, and all those opposed to the PLP, that "the PLP and Pindling are not going to lie down and play dead."

"No matter what evidence there is, we are going to have to force Mr Pindling out, we are going to have to force him to hold an election and we have got to be prepared for that election once he is forced to call it," the Opposition Leader declared. The high powered speakers set up on the grounds by the FNM carried Mr Isaacs' voice as far as Hawkins Hill and Collins Avenue and for a considerable distance to the east and west of the grounds.

"Many of our supporters did not have to come out," said one of the organizers, "because they could sit on their porches and hear what we had to say."

Mr Isaacs, MP for Delaporte, said too many people believe that elections can win themselves, and too many feel that because of the conditions in the country today that if an

election were called, the FNM would just walk in.

"Well, I have got to disabuse your minds of that, because if there is ever a sure way of losing the next election, that would be because we are over confident and as a result of this over confidence we have not done, we are not doing our job and we are not organizing ourselves and we are not getting our message across to the people of the Bahamas," Mr Isaacs said.

Getting the message across means that the FNM has got to get into every constituency in New Providence and the Family Islands, where the conditions are so bad economically that people are flocking to the FNM.

"But we have to make sure that they stay with the FNM," Mr Isaacs said. "We have got to stay with them and we have got to have them stay with us."

He said that although conditions in the country are such that people are coming over to the FNM, in so doing, lies a potential problem almost like "the Mariel boatlift when Castro took advantage of the opportunity to send a bunch of criminals and lunatics to the United States when he was sending decent, respectable people."

"What we have to be careful of is that we will get decent, committed people joining the FNM, but Pindling will take advantage of that and PLP spies will also pretend to come across to the FNM," Mr Isaacs said.

He said that in their campaigns in New Providence and the Family Islands, the FNM has got to be very careful that it is not led up the "garden path" by fifth columns.

"Because they have done it in the past and they will do it again," the opposition leader said.

He said that one way of guarding against being taken in by PLP fifth columns is that when organizing forces for the campaign, FNMs must make sure to take street by street, block by block and polling division by polling division.

"And make sure that the people who work on a particular street for you are trusted people and people who live on that street," he said. "You can only be fooled if you try to take strangers into a street or into a block or into a polling division to work for you."

He told supporters that if they have people who live on that street, that block or polling division working for them, "then there is very little chance of being fooled by PLPs who pretend that they have come over to the Free National Movement."

"Now we must work for an election as soon as possible, certainly as soon as a certain body renders a report," he said. "We must be ready for Pindling being forced by the conditions in the country and by his own colleagues, to call an election."

"And we must be ready for that election; we must be organized and we must be committed," Mr Isaacs said.

He said that he believes that he has some good news for the FNM and the people of the Bahamas and referred his audience to the attack in the Senate on Baptist Leader Rev Charles Saunders by Government Senate Leader Paul Adderley, Minister of Foreign Affairs and Attorney General, and Senator Andrew "Dud"

Maynard.

"I believe that every well-thinking Bahamian, whether he was PLP or FNM, felt ashamed of Paul Adderley, ashamed of Dud Maynard because all that Rev Saunders was doing was exercising his God-given rights to speak out in the way that he felt was right," Mr Isaacs said.

"Even though he might have been wrong, and let me hasten to say that I don't believe he was wrong, because I believe that a majority of the people of the Bahamas share Rev Saunders' views when he expressed them, I think it goes without saying from what we have seen that a majority of the people supported Rev Saunders," the opposition leader said.

"And by attacking that man for exercising his God-given right, I believe that Paul Adderley has delivered many Baptists to the Free National Movement," Mr Isaacs said.

The opposition leader noted that he was at St John's Baptist Church at the annual convention when Rev Saunders spoke. Mr Isaacs said he was there at the invitation as Leader of the Official Opposition to bring greetings, and that the Prime Minister was also invited to attend and bring greetings.

"But you know, he did not send an excuse and neither did he send a representative," Mr Isaacs said. "That was the way he regarded the Baptist community in this country."

He said that in order to sow seeds of dissension to fool the people, the PLP was putting it out that Rev Saunders would be an FNM candidate in the next election.

"Well, that's absolutely nonsense. Not that we wouldn't have Rev Saunders, but Rev Saunders sees himself in another role, a role that he is filling with distinction and I believe that the Baptist community is now organized behind Rev Saunders and they support him 100 per cent," Mr Isaacs said.

FNM YOUTH DEMAND RESIGNATION OF PLP OFFICIALS

Nassau THE TRIBUNE in English 4 Jul 84 p 1

[Text]

YOUNGER FNM members have planned a march and demonstration to demand the "immediate" resignations from public life of two Cabinet Ministers and a Senator - George A. Smith, Minister of Agriculture and Fisheries, Kendal W. Nottage, Minister of Youth and Sports, and Sen Edward Andrew "Dud" Maynard.

The march, called "in the name of justice, decency and fairplay" and because of "public conduct," is planned for the eve of the nation's anniversary of independence, July 9, should permission be granted by Police Commissioner Gerald Bartlett, from whom permission was requested on Monday.

Starting from an Over-the-Hill location, the group will march with a coffin to the Public Square in front of the

statue of Queen Victoria in whose reign the slaves were freed. The coffin, a spokesman stated, "will symbolise the death of justice, decency and fairplay in the country."

The March to Bay Street does not have the support of the FNM hierarchy. Derek Simms, co-ordinator of the march and demonstration, said the march is composed of the "younger and more outspoken elements of the FNM, who want to see a more aggressive and determined party."

Demonstrators, says a spokesman, intend to "arouse the sleeping FNM" and are determined that the present government should be removed by peaceful and democratic means for the sake of the country. The group also consists of several members of the party's Central Council and former candidates and branch officers.

CSO: 3298/1018

PLP HIT FOR MOVING TOWARD ONE-PARTY, 'POLICE' STATE

Archer at BUT Meeting

Nassau THE TRIBUNE in English 3 Jul 84 p 1

[Article by Colin Higgins]

[Excerpt] "I BELIEVE that today we are nearer to being a police state than at any time in our history," outgoing President of the Bahamas Union of Teachers A Leonard Archer said last night.

The former principal of R M Bailey High School - retired by Government "in the public interest" a year before his planned retirement - addressed the 37th annual general conference of the BUT last night in the Commonwealth Room of the Nassau Beach Hotel.

"It is now time that this Government who fired me in the public interest, resign in the public interest," the speaker said.

"Today the air is full of national and international conspiracies and of CIA and other plots to destabilise our country.

"This inflammatory rhetoric is typical of those who would like to retain power at all costs and who are unable to understand the difference between the state and the government.

"To these persons the government is the state," Mr Archer said. "And to attack the government, no matter how reprehensible that government has become, is to attack the state."

He said last year he challenged the Church to "live up to its responsibilities and become the guardians of this country's principles.

"I was told, among other things, that since I was not one of them they could not listen to me.

"This year, one of their own is under attack from the Government and it will be interesting to see whether their conscience will be guided by their dictates of the Bible or by the dictates of their political party."

Mr Archer congratulated Rev Charles Saunders for his courage.

He said he is "very much hartened" by the vigorous and spirited defence of Rev Saunders by the Baptist community. "I congratulate them on their stand and I hope that having seen the nature of the forces they are dealing with, that they will come to the defence of other individuals and groups who are similarly attacked."

He continued: "The Christian Council has a Christian duty to one of its member organisations and I hope that its defence of the Rev Charles Saunders is not long in coming."

The speaker recalled questioning the propriety of a questionnaire on Rastafarianism which came from the Prime Minister's office last year. "I said then, the questionnaire, if used improperly could lead to the curtailment of the constitutional rights of Bahamian citizens.

"I also said that while I held no brief for the Rastafarian movement, the people who belonged to that sect had the same constitutional guarantees of freedom of speech and expression and of movement and belief as any other Bahamian citizen.

"And that if we, by our inaction, condone the harassment of these citizens, then the rights of others could be similarly curtailed.

"Earlier this month the police carried out raids on the Rastafarian camps and held many of them in detention for an unnecessarily long time.

"To date I have not heard of any protest of the police action by citizens of this country," Mr Archer told listeners.

"Just last week teachers witnessed the disgraceful spectacle of armed policemen coming on to a school campus and arresting a school teacher under questionable circumstances.

"The question is, where will it all end? Who will be the next group to be subjected to armed invasion of their premises or their homes?

"Such is the state of affairs in this country that a person, or groups of persons, have already taken it upon themselves to attack individual policemen or policemen in their stations.

"Something must be done and done quickly to restore a state of sanity to this country," Mr Archer said.

Isaacs at FNM Rally

Nassau THE TRIBUNE in English 13 Jul 84 p 1

[Article by Marcia Bethell]

[Excerpt]

OPPOSITION Leader Kendal Isaacs at a Freedom rally last night warned all Bahamians that Prime Minister Pindling has every intention of reducing the Bahamas to a dictatorship with only one party...the PLP.

Mr Isaacs pointed out that the only Caribbean leader attending the Independence celebrations was someone who calls himself "Comrade and who seems to be very friendly with the Soviet Union and Cuba."

"Watch that. Watch where he is taking the Bahamas and watch the friends that he has. Arthur Foulkes said recently at a meeting that he has no intention of living under a communist regime in his beloved Bahamas. I believe that he was speaking for every red-blooded Bahamian - man and woman. He was certainly speaking for me," Mr Isaacs said.

Mr Isaacs implored those 500 supporters attending the rally last night and Bahamians ev-

erywhere to seriously consider what would happen to the Bahamas if Pindling destroyed the FNM.

"If Pindling is allowed to destroy the FNM you can rest assured that he has destroyed freedom in the Bahamas. Because even with the FNM Pindling and his government have perpetrated acts of victimization on Bahamian citizens, discriminated against Bahamians because he believed they supported the FNM. He has seen to it that if at all possible the FNM and their supporters would be second or third class citizens in their own country," Mr Isaacs said.

"I want to put out a message to all PLP supporters and those who are straddling the fence," Mr Isaacs continued, "as long as you say and do nothing to displease the Prime Minister you are allowed to pretend to be a first class citizen. But the moment you have backbone, like our dear Rev Saunders, to

speak out about the wrongdoings of the PLP government, you will have the full wrath of government descend on your head and you will no longer be a first class citizen."

Mr Isaacs reminded the crowd of certain threats made by the Prime Minister immediately following the PLP victory in the June 10, 1982 elections.

"The Prime Minister was very annoyed because the FNM won 11 seats. The way he spoke and acted you would have thought we had won the election. He vowed that he was going to destroy the FNM, deal with the middle class and deal with Grand Bahama. Are those the words of a Prime Minister who believes in democracy? He wants to destroy the only party who has seats in the Assembly apart from the PLP. In other words he is telling us, the people of this country that he does not believe in democracy and does not want opposition," Mr Isaacs said.

CSO: 3298/1018

WORKERS PARTY LEADERS IN COURT ON SEDITION CHARGES

Nassau THE TRIBUNE in English 29 Jun 84 p 1

[Article by Natasha Chea]

[Text] THE leader and chairman of the Workers Party - Philip Miller and Rodney Moncur - were separately charged before magistrate Joseph Alfred today with sedition.

Represented by lawyer Jeanne Thompson, the men were charged with three counts of sedition. Electing a Supreme Court trial by a judge and jury, they were each released on \$3,000 bail with one surety to return for a preliminary inquiry into the matter August 14.

The magistrate also ordered them to report to Central Police Station every Monday.

In 1958 Sir Randol Fawkes was the last person to be charged with sedition before the Bahamas Supreme Court. The case "collapsed" in court.

Arraigned in court shortly after 11 am today, Miller was charged first. It is alleged that on January 6, 1984 he uttered seditious words to the effect that there should be a bloodless coup; that if Pindling would not go he should be removed; that there must be a revolution. He is charged with intending to excite disaffection against the Government of the Bahamas "as by law established."

It is also alleged that on the same date he uttered the same seditious words intending to raise disaffection amongst Her Majesty's subjects.

And it is further alleged that "on that date in the hearing of subjects of our lady the Queen, he uttered seditious words, the purport of which was intended to excite disaffection against the Government of the Bahamas as by law established or to raise discontent or disaffection amongst Her Majesty's subjects."

Miller was granted \$3,000 bail with surety to appear for a preliminary inquiry into the matter August 14.

Moncur was charged next. It is alleged that on January 6, 1984 he uttered seditious words to the effect that it was time to resort to violence, to seize

the police stations, and radio station, to destroy public property and to start civil unrest. He is charged with intending "to excite disaffection against the Government of the Bahamas as by law established."

He is also charged with uttering the same seditious words on the same day to "raise disaffection amongst Her Majesty's subjects."

He is also charged, on the same date, with uttering seditious words to the effect that the court had become a whore house for political prostitution. He was charged with intending by these remarks to bring into "hatred or contempt or to excite disaffection against the administration of justice in the Bahamas."

After the charges against Moncur were read, Prosecutor Chief Insp Joseph Major rose and objected to bail. "These are very, very serious allegations. It is only fair that these people should be in custody until the hearing of these matters, having regard to the charges that were made against both men. These charges were suggesting certain actions. If they were on bail they could be implemented," said the prosecutor.

In rebuttal, Miss Thompson said the allegations were said to have happened January 6 and the two defendants were at large since then. "If they were to take place they would have done so immediately after January 6. Their being on bail will not affect that. Under these circumstances the accused should be granted bail.

"There is no evidence that they have been charged with a similar offence. Your worship has already granted bail to one of the accused. I do not see why the prosecution should be objecting to bail when it was already granted to one, or is he only objecting to bail for Moncur?" asked the lawyer.

Moncur was also granted \$3,000 bail with one surety to return for the preliminary inquiry on August 14.

CSO: 3298/1018

UNION LEADER HITS PLP, FNM FOR STALLING ON LABOR LAW

Nassau THE TRIBUNE in English 28 Jun 84 p 1

[Article by Dilette Thompson]

[Text]

THE President of the Commonwealth Cement and Construction Workers Union, who says his efforts to have the Industrial Relations and Fair Labour Standard Acts amended have been ignored by the PLP Government and put on the back burner by the FNM, this week accused both parties of a lack of concern for Bahamian workers.

Mr Audley Hanna said union heads will meet with Leonard Archer, Secretary to the Trade Union Congress, within the next two months to formulate a draft to amend both bills. The draft will be presented to Minister of Labour and Home Affairs Clement Maynard and to Parliament.

"It is high time Parliament did something to amend the Industrial Relations Act and the Fair Labour Standard Act. Almost two years ago the House appointed a select committee to amend the Industrial Relations Act. The committee never met. Had they done so we would not face the problems which we face today," Mr Hanna said.

"I personally feel that neither the PLP nor the FNM are concerned about the workers because neither has made a serious attempt to amend this act. They are not concerned for the simple reason that they are the wealthy people. The Fair Labour Standard Act could only help the poor working men and women of this country and

hurt the rich, who are the FNM and PLP," he continued."

Mr Hanna said the Fair Labour Standard Act does not make proper provision for wrongful dismissal of an employee. He said it also does not make proper provision for payment instead of notice as it does not specify how much notice a person must get.

The union head said within the last two years 300 union members were laid off without more than five to ten minutes notice. The workers were unable to meet bank payments for car loans and mortgages on their homes. Mr Hanna said in some cases workers lost their homes and some personal belongings.

Mr Hanna claimed that workers at Bahamas Cement in Freeport, where he is employed, have been "shabbily treated" by management. They have had proposals rejected by management and at a meeting five weeks ago workers were stripped of their rights and threatened, he claimed.

He said for a week he tried to contact the Minister of Labour and Home Affairs concerning "the threats," but was unable to meet with Mr Maynard.

Mr Hanna said the union represents workers who have drug problems in their families and workers who are themselves on drugs. As such, he touched upon the drug crisis which this nation now faces.

"I wrote letters to both the Prime Minister and Mr Isaacs about drugs in this country. I got a letter from Mr Isaacs saying that he would reply to my letter in due course. I think that due course is never. The Prime Minister did not reply," Mr Hanna said.

He said he did not think the Prime Minister or Mr Isaacs, leader of the opposition, were concerned about the drug problem. In his opinion "they don't really have an interest in drugs or whose child gets destroyed. They should take the drug problem seriously and not wait until it comes to their door before doing something about it," he said.

The union leader said that a letter to the Bahamas Christian Council concerning the drug problem, which was written November 8th, 1983, was similarly ignored. He said the

church, the union and all civil organizations should unite as one body of leaders.

"A lot of Christian preachers think their role in society is just to tell about the word of God. I think as leaders, whether you be a religious leader, a trade unionist or a politician, our role in society is to tell our members the truth, not just what is good for them as members," Mr Hanna said.

He said members of the Trade Union Congress are only beginning to put aside politics and unite as members of the same body. "We now seem to understand politics is really for the politician and I think we now have union politics separated from party politics. Our major concern now is the workers that we support, not one or two in particular, but all the workers of this country," Mr Hanna said.

CSO: 3298/1019

ANNUAL REPORT DETAILS PROBLEMS IN POLICE FORCE

Nassau THE TRIBUNE in English 12 Jul 84 p 1

[Text]

THE ROYAL Bahamas Police Force was plagued with three major problems during 1983: a shortage of manpower, inadequate transportation and an outdated communications system.

And almost every area of the Force was affected by a lack of necessary funds, leaving very little room for manoeuvrability. "The unhealthy credit atmosphere brought about by budgetary constraints has affected the Force in almost every area," the annual 1983 report stated.

The report also stated that day-to-day demands of the increasing drug problem and related crimes during 1983 exacted a "heavy commitment on the force."

Along with these pressures police officers were not provided with adequate transportation. Repair to and replacement of equipment did not keep pace with the heavy wear and tear which they endured.

"Thus for the greater part of the year we were constantly ill-equipped," the report stated.

Therefore, it was pointed out in the report, the main concern of those in command had been to increase the effectiveness of the Force and ensure the most efficient use of the limited resources.

"The measure of our success or failure in achieving this is best left to others to judge."

During 1983 a total of 11,319 major crimes were reported throughout the Bahamas, representing a 1.8% rise over 1982 figures. According to the report 1983 started with a decrease in crime in January and continued until the end of April with each month recording less crime than 1982.

However from May onward, except for a lull in July, there was an increased momentum which was maintained for the rest of the year.

New Providence, the report stated, continued to show the highest incidence of Crime, compared with other regions.

During 1983 an estimated 8,062 major crimes were recorded in New Providence, 74 more than the 1982 figure of 7,988.

"Possibly the most serious crime incident relates to the prevalence of robberies, street robberies in particular. The figures for robberies totalled 781, an increase of 160 (25.7%) over the previous year. Of this number an estimated 379 or 48.5% were street robberies, better known as muggings," the report stated.

Other offences which increased during 1983 were rape 71-83 (16.7%), serious woundings 125-144, stealing from vehicles 559-611 and malicious damage 317-360.

Reductions were recorded in murder, 30-17; attempted murder 30-17; burglary 607-476; housebreaking 1583-1495; stealing 1916-1878 and forgery and fraud 414-289.

Major crimes in other Family Islands showed a 15% rise over 1982. Total crime, which stood at 899 in 1982 rose to 1035, the highest ever recorded.

CSO: 3298/1019

PUP PRE-ELECTION CAMPAIGN CONDUCT CRITICIZED

Courting of U.S.

Belize City THE BEACON in English 21 Jul 84 pp 1, 10

[Text]

Visiting Belize this month was Mr Harry Shlaudema, recently named by U.S. President Ronald Reagan as Ambassador-at-large and Special Envoy for Central America.

According to a release issued by the Government Information Service, the topics discussed by the Prime Minister with the Ambassador included the recommendation for Belize made by the Kissinger Commission.

Obviously, George Price and his ministers are desperate to lay their hands on some United States dollars. They need money, from any source available, to spend all over the country and make a last ditch impression on the electorate in this election year.

The Americans must understand that the PUP government has no scruples, and will not necessarily use money for the

purpose for which it is intended, especially with general elections so near.

The Government Information Service release actually attempted to deceive the public by stating that Ambassador Shlaudeman came to Belize at the request of President Reagan and Secretary of State George Schultz, and not at the request of the Belizean government.

Maybe the Americans are more eager than we thought to open their purse strings to the dishonest and left-leaning Price administration. If they do, Ambassador Malcolm Barnebey and his government may find themselves unwittingly embroiled in Belizean politics.

Tell President Ronald Reagan to keep the bank doors firmly closed until the results of the Belizean general elections become history.

'Deception' Charge

Belize City THE BEACON in English 21 Jul 84 pp 1, 10

[Text]

The PUP set a tone of lies and deception for the upcoming general election campaign, as speakers addressed a small gathering of party supporters at a 'public meeting' held at the Civic Centre on Wednesday night.

Former Attorney General Harry Courtenay told the small audience that Belize's deficit was smaller than that of other countries in the region. What Courtenay failed to tell the people was that all those countries are far larger than Belize in terms of population, with far larger infra-structures (roads, streets, electricity, water supply, services). Belize's international deficit in proportion to our budget is way head of any other country in this region, a fact known to the Price administration.

Then Mr. Ralph Fonseca, recently shed of his job as head of Belize's number one beer producers, and as a favoured PUP was given the job as Manager of the Belize Electricity Board. What is this man, now receiving his salary

from money squeezed out of voters, doing on a party rostrum? He told the meeting that the new rates will lower the light bills of 42% of the consumers. That is an outright lie, and was recognised as such. The electricity rates are higher, and so are everybody's bills. But Mr Fonseca knows the ground that he is standing on. A source disclosed recently that Fonseca is in the process of negotiating an agreement with Belmopan to open a new bank, backed by communist-inclined Panamanian businessmen. The bank, according to our source is seeking preferential governmental treatment including protection against devaluation of the Belizean dollar. This is the kind of new candidate that the government is looking to offer voters ... lackies, with personal business interests!

Tell Mr. Fonseca that if he desires to go openly into politics, to step out of the Electricity Board which belongs to the people, and do his own thing.

Popular PUP Supporters

Belize City AMANDALA in English 20 Jul 84 p 1

[Text] BELIZE CITY, Fri. July 20
A governing People's United Party rally held Wednesday night at the City Center for southside constituencies was noteworthy for the fact that two young Belizean professionals - lawyer Ernest "Stud" Staine and businessman Ralph Fonseca - declared publicly their support for the People's United Party.

Mr. Staine, formerly a law clerk with the firm of Queen's Counsel Horace Young, qualified as a lawyer at the U.W.I. campuses in Jamaica and Barbados, and has been practising law in the city since 1976.

In a telephone interview with this newspaper this morning, "Stud" said he was not excluding the possibility of being a PUP candidate in the upcoming general elections. This led us to the surmise that Mr. Staine may be the PUP leadership's choice to defuse the explosive situation in the western section of the PUP Albert division.

Leftist Rafael Chavez, rightist Bill Lindo, and various dark horses such as Doyle Prince, Fred Moody, and Joseph Grey have been battling tooth and nail for chairmanship of the PUP Albert constituency. The reason for the dogfight which

has divided the party at the highest levels is that the western section of Albert, which will be a new division comprising Yarborough, Neal's Pen Road, Loyola, and Caesar Ridge is expected by some experts to return a PUP candidate to the House. (Albert's eastern section is Philip Goldson's.)

Ernest Staine may have been arbitrarily chosen by Price and Rogers as the candidate for Albert west. Married to the former Yvonne Swift, he lives on Myvett St.

Former Belize Brewing Co. executive and now Electricity Board Manager Ralph Fonseca's public statement of PUP support was less surprising and has been expected for some time.

The eldest son of the late Financial Secretary Rafael Fonseca, Ralph was schooled in computer studies in Canada and returned home after his father's death in 1979. (Reports say the late Mr. Fonseca left him a substantial nest egg to manage.)

Fonseca has been reported to be a possible candidate for the Mesopotamia division, this being clearly a trial balloon being floated by His High Messianic Majesty.

CSO: 3298/1046

MUSA SAID TO BE SEEKING CLOSER TIES TO CUBA

Belize City AMANDALA in English 27 Jul 84 p 2

[Unsigned article attributed to 29 June 1984 LATIN AMERICA WEEKLY REPORT; no other identification given]

[Text]

Said Musa, education and economic development minister and leader of the left-wing of the ruling People's United Party (PUP), who was in London at the invitation of the British government for a 'familiarisation' tour (RC-84-05), expressed the hope for more economic cooperation between the nations of the region. 'We are all in the same boat', he said, and pointed out the potential of the region's various economies to complement each other.

He claims that at the moment, cooperation is hindered by Guatemalan hostilities, as well as the introduction of an East-West dimension into local conflicts. 'I long for a rapprochement allowing countries of the Caribbean to co-exist, respecting democratic pluralism', he said. He sees a dialogue between Cuba and the US as essential to achieve that rapprochement, but he blames the Reagan administration for fostering 'paranoia', viewing Havana as 'the enemy, feeding revolution in Latin America.'

Two years ago a Cuban trade mission visited Belize with the aim of establishing commercial relations, although no diplomatic relations exist between the two countries. 'They were offering us refrigerators at half the price we were then paying for those we imported', but because of the whole paranoia about Cuba no businessmen would touch them. The US and Russia make deals about grain, but Belize cannot have any trade with Cuba.' He claims that Cuba could provide training for young Belizeans in areas such as medicine, engineering and agriculture, but 'that does not mean they will end up as marxist-leninists.'

Perhaps in an attempt to reassure more conservative potential foreign investors, Musa used his London visit to plug investment and trade opportunities in Belize.

If the PUP wishes to stay in power, it will have to convince local businessmen and foreign investors that its policy of non-alliance will jeopardize neither US aid nor the recovery of the economy. ■

29 June 1984, WR-84-25

GOVERNMENT SHIFTS CONTRACT FROM LOCAL TO FIRM LINKED WITH CUBA

Belize City THE BEACON in English 21 Jul 84 pp 1, 10

[Text]

The PUP government has taken a concession to cut logs from national lands, from a Belizean businessman and passed the concession over to a company called Belmex, known to have strong Cuban controls.

According to our information, Belmex has been the recent beneficiaries of 1,000 acres of land in the Duck Run area, and has been given permission to manufacture wooden railroad tiles for the Cuban market.

Belmex Company, owned by big PUP and Cuban interests, first traded whiskey and beef under a contract with the Mexican Army in Chetumal, through a firm called Exportedora Del Caribe of No. 448

Calle 60, Merida, Yucatan owned by Cuban national Lazaro Ponce de Leon.

With its Cuban contact, Belmex was able to diversify its business, including the importation of hardware goods from Cuba. Recently the company imported 90 refrigerators from Cuba, that carried no brand names.

Our source also claims that in order to hide its Cuban backing and connection, Belmex will ship the railroad tiles, made under its brand new concession from the PUP government, to Cuba by way of Panama.

It is believed that Belmex could be used to import gifts worth thousands of dollars from Cuba, for election giveaways.

CSO: 3298/1046

IMF PRESSURE BRINGS 'PAINFUL CONDITIONS,' NO SECURITY

Belize City DISWEEK in English 22 Jun 84 p 2

[Editorial]

[Text]

The tax measures and rate increases announced in the House last week will no doubt effect the popularity of the party in government, in what is generally assumed to be an election year. Obviously the government must have taken these steps very reluctantly, and after doing every thing possible to avoid them.

It is clear also that the government came under pressure to act now, and, as the the Prime Minister revealed in his statement, that pressure came from the IMF - the International Monetary Fund.

Because of our adverse balance-of-payments situation, caused by the world recession and the unjust world economic order, Belize needs to borrow money. Under present conditions, it appears that the only alternative is to approach the IMF for a short-term loan. Other sources of funding - commercial banks, the World Bank or even governments - seem to require the IMF's "seal of approval" before considering a loan.

This should mean that once the IMF reaches an agreement with Belize, it will be easier to attract other funding elsewhere, funding that can be used to promote production and stimulate development.

The problem is this: What further conditions will the IMF insist on before agreeing to lend us the \$15 million to match

the \$15 our country is raising through higher taxes and rates?

As we at disweek understand it, these measures, painful as they are, do not guarantee that the IMF will lend us the money. All they do is insure that the IMF will entertain our application.

In our negotiations with the IMF, this government and country must be prepared to ensure that any conditions we agree to do not damage our economy or cause undue suffering to the poor people of Belize. Ultimately, we must plan and prepare to be in such a strong negotiating position that, if push comes to shove, we can refuse the IMF conditions rather than wreck our society.

That will obviously not be easy to do. It would help if we could achieve a bipartisan approach to the problem, and have our people well informed about the truth of the situation. Unfortunately, the UDP seems, from the way they behaved in the House last Friday, to be more interested in winning political points by confusing the people, than in helping to pull the country out of a crisis.

This is a crucial test for the statesmanship of the UDP leaders - will they seek to make political gain at the cost of the country's best interests, or will they join in a united effort to save Belize?

Only time will tell.

PUP GOVERNMENT PLANS TO REGULATE SHOPPING HABITS

Belize City THE BEACON in English 28 Jul 84 p 1

[Text]

According to an unusually reliable source, the PUP Government is planning to surprise the public with another economic package. This time it will not be another hike in taxes, but a move to force Belize shoppers to buy less, eat less and dress more conservatively.

This decision to cut into and regulate local shopping habits will come by way of a massive ban on the importation of a long list of consumer items. "The ban, says our informant, "will be right across the boards."

The decision was reportedly made at a closed-door meeting held in Belmopan on Thursday last week, and was hatched from the left-wing faction of the party, with the Prime Minister's blessings.

It has not been revealed what specific items will be affected, or how quick the Belmopan poli-

ticians will attempt to implement this new squeeze. The hurried meeting last Thursday suggests that they are as desperate to get this ban of consumer goods into the law books, as they were to implement the tax measures. Yet it could be as early as this weekend. Both the House of Representatives and the Senate meet on Friday. It always spells trouble when both houses sit on the same day.

The PUP government is not concerned about the adverse effect this sudden move will have on the lives of consumers, on business and on the labour situation (loss of business profits could dictate widespread layoffs from stores and supermarkets). All Belmopan wants is to inch closer to IMF demands, and keeps dodging the devaluation bullet.

POLICE HIT FOR FAILURE TO PROBE DRUG ALLEGATIONS

Belize City AMANDALA in English 29 Jun 84 p 2

[Editorial]

[Text] The above editorial [omitted here] is extracted from the Wednesday, June 27 edition of the Miami HERALD.

The relevance of this to Belize is that both Belize and the Bahamas are independent countries which were former British colonies and are members of the British Commonwealth. Both Belize and the Bahamas have recently had high ranking public officials accused of cocaine smuggling by United States television networks (in the case of Belize, Florida Drug Enforcement officials).

Note carefully the loud differences in procedure subsequent to the accusations in the Bahamas and in Belize.

The Bahamas Prime Minister Lynden Pindling created a Royal Commission of Inquiry to investigate the charges. The Royal Commission of Inquiry was backed up by the Bahamian Supreme Court. The Commission probed fearlessly. "The investigation reflects well on the quality of Bahamian democracy."

Whatever the results of the Commission of Inquiry, the Bahamas will be the better for it.

In the case of Belize, the Prime Minister created no Commission of Inquiry. There has been no probe, only a fleeting one man investigation. The lack of a thorough investigation reflects ill on the Belizean "democracy". The lack of a thorough investigation gives rise to many questions about the morality and honesty of Belize's power structure.

In the Bahamas, Mr. Pindling felt that the people of the Bahamas would have his head if he did not create the Commission of Inquiry, whatever its findings.

But the Belize Prime Minister felt that he was so powerful and the Belizean people so docile and ignorant that he only had to pretend that nothing had happened and attend Mass/Holy Communion for a few weeks and everything would be all right. We Belizeans have been inordinately proud of a reported 90 per cent literacy, but our noses need to be examined carefully to see if there are rings yet in them.

U.S. PRESSURE DISTORTS GOVERNMENT'S NONALIGNMENT POLICY

Belize City DISWEEK in English 15 Jun 84 p 2

[Editorial]

[Text]

Some of our ministers and businessmen will be traveling to the Far East this week to establish new and needed contacts for economic cooperation. We applaud this effort to move beyond heavy reliance on Belize's traditional trading partners. But who will these new partners be?

The countries our delegation plans to visit are Japan, Taiwan, Hong Kong and South Korea. For Belize to establish relations with Japan and Hong Kong is of no great concern and may prove to be profitable. Relations with Taiwan and South Korea, however, have serious political implications.

We are establishing relations with Taiwan, a country not recognized in the United Nations, and ignoring the Peoples Republic of China, the legitimate representative of the Chinese people. Even the USA has diplomatic and economic relations with China. President Reagan recently returned from there proclaiming the importance of US-China relations.

If that is not enough, we will then send our representatives to South Korea, headed by a dictatorship well known for its blatant abuses of human rights. This was the US funders' choice for Be-

elize's businessmen. When approached to help fund the private sector for this trip, the US hinted that the trip should include a visit to South Korea. This was not a condition for receiving funds, of course, but it was clear that our businessmen would receive the funding if they agreed to go there. And we see that they have agreed.

Our own Prime Minister, however, previously stated that on the issues of Korea, Taiwan and Israel, Belize will not take the side of one or the other. What has happened on our first trip to the Far East? We go to Taiwan, but not China; South Korea but not North Korea.

Where does this leave Belize and our Non Aligned policy?

Things are bad these days economically, but let's not be so quick to give up our principles.

CSO: 3298/1047

POLL SHOWS 45.3 PERCENT FAVORING NEVES CANDIDACY

Sao Paulo FOLHA DE SAO PAULO in Portuguese 28 Jun 84 p 9

[Article by the Department of Research of FOLHA]

[Text] The image of Governor Tancredo Neves is unfavorably considered by 19.9 percent of the population of six state capitals: Sao Paulo, Rio de Janeiro, Belo Horizonte, Salvador, Porto Alegre and Curitiba, according to the "FOLHA Poll" of this week. However, of the 3,000 persons polled, 45.3 percent believe themselves to be entirely or moderately in favor of the Minas Gerais governor, one of the names most circulated as a possible indirect opposition candidate to president of the republic. Those who are indifferent or undecided totalled 34.8 percent.

Deputy Paulo Maluf, declared indirect candidate to the presidency, obtained only 14.4 percent of favorable consideration in the "FOLHA Poll" held 2 weeks ago. The comparison with the former governor of Sao Paulo is broadly favorable to Tancredo in all aspects.

Strangely, the capital in which Tancredo occupies the best position is Curitiba. Those who are entirely or moderately in his favor total 62.7 percent of the population, while those who oppose him in both aspects total only 15.2 percent.

In Belo Horizonte, theoretically his home field, Tancredo shows the greatest rate of disapproval (27.6 percent) and approval (50.2 percent), which could be understood as a political as well as an administrative judgement, since the latter has a very great weight.

With Belo Horizonte excluded, the capital in which disapproval reaches the highest percentage is Salvador with 26.7 percent of those consulted (the sum of those entirely against him and those moderately against him).

In Sao Paulo, the image of Tancredo is not bad: Only 17.9 percent consider it unfavorably, while 42.7 consider it to be good. Men outnumber women in total disapproval, 13.3 percent to 9.4 percent. However, men also have a greater rate of those "entirely in favor," with 28.2 percent compared to 23.2 percent among women. Obviously the number of indifferent women or those with no opinion is much greater (45.3 percent of those polled compared to 33.8 percent among the men).

(Results in the six Capitals)

What is your position toward Governor Tancredo Neves?

Capitals	Sao Paulo	Rio de Janeiro %	Belo Horizonte %	Salvador	Porto Alegre	Curitiba	Weighted Average
CATEGORIES							
Entirely in favor	25.8	20.0	25.5	21.0	11.3	39.3	23.9
Moderately in favor	16.9	29.2	24.7	9.3	23.7	23.4	21.4
Indifferent	21.8	16.3	11.7	14.3	11.3	11.3	18.4
Moderately against	6.5	11.2	9.3	12.7	4.7	6.4	8.4
Entirely against	11.4	8.3	18.3	14.0	19.3	8.8	11.5
Do not know	17.6	15.0	10.5	28.7	17.3	10.8	16.4
Number of interviews	100 (1000)	100 (600)	100 (400)	100 (300)	100 (300)	100 (400)	100 (3000)

The weighted average of those "entirely in favor" in the six capitals totalled 23.9 percent; those "entirely opposed" totalled 11.5 percent.

By income level, in Sao Paulo the largest number of those favoring Tancredo is that of persons earning up to two minimum wages (26.7 percent), while the sector earning from two to five minimum wages (19.5 percent) is the smallest and the sector earning five or more minimum wages is in the middle (20.5 percent). The sector with the lowest rate of disapproval is also that of up to two minimum wages (6 percent), while the highest sector registers (16 percent) and the middle sector, 14.8 percent. By age, the greatest favorable rate, adding those who are entirely or moderately in his favor above 35 years-of-age, is 49.3 percent, and the largest unfavorable percentage (also in the same two categories, is among persons from 14 to 19 years-of-age (21.1 percent).

The content of some of the answers shows the acceptance of the Minas Gerais governor occurs less because of his personal virtues and more because of the fact that he is seen as an alternative.

The "FOLHA" poll is the work of the Research Department of FOLHA under the direction of Sociologist Mara Nogueira Kotscho. The author of the research plan is Professor Reginaldo Prandi of the Department of Social Sciences of the University of Sao Paulo. Maximum error foreseen is estimated at 3 percent.

HIGH COMMAND REJECTS MILITARY SOLUTION TO SUCCESSION

Brasilia CORREIO BRAZILIENSE in Portuguese 6 Jul 84 p 5

[Article by Tarcisio Holanda: "Generals Reject Military Solution"]

[Text] Rio--The generals of the High Command will reject, and do reject, any type of military solution to the presidential succession, be it from the active or reserve component. All of them are convinced that the solution must be eminently political so that the process of the transfer of power to civilians may be completed, according to information passed on by one who took the trouble to hear the opinion of all with respect to that problem.

The military chiefs continue to trust that the president of the republic will take it upon himself to head a process of political negotiation, and believe that a candidate of consensus will be ideal, a candidate chosen through an understanding with the main political factions. In that respect, President Figueiredo is being pressured by some of his most important aides and political leaders, among whom are Deputy Nelson Marchezan and Ministers Leitaõ de Abreu and Otavio Medeiros.

Indefinition

Former President Ernesto Geisel and some of his friends believe that the presidential succession picture is still undefined since none of the names presented manage to unite the PDS [Social Democratic Party]. There is the expectation in those circles that a new "event" will appear which is capable of radically changing the picture existing today.

The former president did not advise Vice President Aureliano Chaves to support the candidacy of Governor Tancredo Neves. He told him that as far as he is concerned he is a man from the system, which was born in the 1964 movement, with which he has undeniable commitments. Since the vice president of the republic is a militant politician, he freed him to take whatever road appears best to him.

That does not mean that General Geisel has any reservations with respect to the governor of Minas. In view of those commitments to his origins, Geisel believes that he does not have to support or fight against the candidacy of Tancredo. He had commitments with the candidacy of Aureliano Chaves and is not willing to transfer that support to the governor.

Actually, Geisel and his friends do not hide some politically essential reservations toward the governor of Minas Gerais, although they recognize in him virtues of a statesman and conservative politician. A general close to Geisel reminded us yesterday that the former prime minister always had a position of systematic combat against the 1964 movement.

Moreover, those sectors fear--showing fears not yet crystallized among the military--the alliances that the Minas Gerais governor would be obliged to consolidate with more radical opposition groups. The specter is still alive of the process of the transfer of power in Argentina, with the subsequent trials of important military chiefs who rotated in power in Casa Rosada.

Pressure

One of those personalities revealed yesterday that the president of the republic is being subjected to pressure by some of his most important aides; not only by Ministers Leitao de Abreu and Rubem Ludwig and the PDS leader in the Chamber of Deputies, Nelson Marchezan.

Minister Otavio Medeiros, the chief of the National Intelligence Service, has also been seeking to show President Figueiredo the suitability of his direct intervention so as to decisively encourage the finding of a solution of unity, at least within his party.

The military chiefs, as well as the president of the republic himself, are aware that the division within the party is deep enough to change the correlation of forces in the Electoral College in favor of a single candidate of the opposition such as Tancredo Neves of Minas Gerais.

Some of those figures believe that the time has not yet come for a radical turn to place an opposition member in Planalto Palace, no matter how moderate he may be, such as is the case of Governor Tancredo Neves. And they say that this is so true that Figueiredo only agreed to the reestablishment of direct elections in 1988 in the amendment he proposed to the Congress. Not before then. Even if he inspires confidence in the system of power and in the so-called leadership classes, the former prime minister will still have to overcome some distrusts that encourage resistances in the military areas against his candidacy, according to statements of a prominent figure, who knows intimately the thinking of all the generals of the Army High Command.

Probably because he has some information in that respect, Deputy Magalhaes Pinto said recently to a common friend of his and Tancredo's that if he were the governor of Minas Gerais he would not be a candidate without first having the care to make a sounding of the military summit.

The picture of succession is considered with concern by former President Ernesto Geisel, by the military hierarchy and President Figueiredo and his most important aides. Up to this time, however, despite the pressures he has been withstanding, General Figueiredo gives no sign that he is willing to head a new political initiative.

If the president of the republic were to remain passive toward the indefiniton of that picture, new events could take place and the Armed Forces, as a general told us recently, "only attentive to events," could not remain with folded arms toward an impasse.

The agreed upon decision is to reject any attempt to involve an active or reserve military man because of the conviction that the armed forces have already been too discredited by their involvement in the institutional political process. However, they all clamor for a solution that will offer them certain safeguards.

8908

CSO: 3342/139

BRAZIL

SALE OF 500 TUCANO AIRCRAFT POSSIBLE BY END OF YEAR

Sao Paulo FOLHA DE SAO PAULO in Portuguese 13 Jul 84 p 6

[Text] The president of EMBRAER [Brazilian Aeronautics Company], Col Osires Silva, said yesterday in Rio that negotiations now underway indicate that Brazil could conclude contracts by the end of the year for the manufacture and sale of 500 Tucano aircraft, which are already being used for military training in some countries of the world.

Negotiations are going on with governments and private entities of Latin American, Asian and African countries. "I cannot quote the names of possible buyers so as not to facilitate the process of bidding," justified Osires. He denied, however, the sale of 25 Tucanos to the Ministry of Defense of Ecuador: "The Ecuadoran Government has already published a denial in this respect, something I confirm."

EMBRAER, with contracts signed for providing 120 Tucanos to Egypt and 8 to Honduras, now has the capacity for manufacturing 80 units per year. With respect to the Brasilia, a 30-passenger aircraft which the company planned and produced for competing in medium-distance transportation throughout the world, Osires Silva said that he continues to wait for the approval of the aircraft: "We should obtain approval in Europe simultaneously in West Germany, England, France, Sweden and Italy. Then the Brasilia should receive 'approval' in the United States, where three customers have already ordered 22 units from us.

"This is an airplane that is going to bring Brazilian aviation much joy. In May next year we are going to perform several demonstrations with it," says the president of EMBRAER, who believes that he can sell the Brasilia in Greece, Asia and the Middle East. In Asia, he points specifically to China, whose government has just authorized the creation of regional air companies. The newest product of EMBRAER, which manufactures 13 types of aircraft, has already logged 1,500 hours of test flights.

Jet AMK

With respect to the Italo-Brazilian jet fighter, the AMK, he said that the flight of the second prototype (the first crashed nearly a month ago in an accident during tests in Italy) is scheduled for September. The first prototype manufactured in Brazil should begin test flights in June of next year. "We are not thinking, however, of making commercial jet aircraft in EMBRAER," said the colonel, explaining: "All the factories active in this field are in trouble. We are doing well."

BRAZIL

BRIEFS

SWEDISH HOWITZER FOR ARMY--The army will buy the 155-millimeter FH/77B howitzer carrier from the SAAB-Bofors Mechanical Industry of Sweden, with the transfer of technology to the national war materiel industry, including the right for Brazil to export it to other countries of the hemisphere. The purchase contract was signed by Minister Walter Pires, who is in that country on an official visit, invited by the Swedish Government. The information came from a high military source in Brasilia. The 155mm howitzer carrier, considered one of the most modern manufactured in the world, was planned by Bofors for supplying growing demands for a field artillery weapon. It can be towed at speeds of up to 70 kilometers per hour and is self-propelled when occupying its firing position in the field and to then move to a position of protection. Minister Walter Pires, who went to Sweden on 22 June, returns to Brazil on 10 July after spending 5 days in Kuwait, where he will discuss military affairs of interest to the two countries, including the sale of IMBEL [War Materiel Industry] weapons to that country. [Text] [Brasilia CORREIO BRAZILIENSE in Portuguese 5 Jul 84 p 7] 8908

ARMS EXPORTS PROFIT--Contradicting all estimates on revenue from exports of weapons made by producing industries, the director of CACEX [Foreign Trade Department], Carlos Viacava, yesterday surprised the press when he stated that those sales "do not exceed \$200 million." Viacava said that the estimates of more than \$1 billion annually "are nothing more than a great carnival and the desire of the companies. ENGESA [Specialized Engineers, Inc] sells a little, IMBEL [War Materiel Industry] sells a little and Taurus almost nothing," explained Viacava, explaining that in his estimate of \$200 million (the same revenues as last year) are included military and hunting weapons. Aircraft, even for military use, are not considered weapons in the figuring of CACEX statistics. However, Viacava could not explain under which heading tanks are listed. To rid himself of questions he considered "embarrassing," on weapons exports, the former director of CACEX, Benedito Moreira, used to say that the figures were within the purview of the Ministry of the Army and did not enter into the accounts of the trade balance. Yesterday Viacava confirmed that the numbers on the exports of weapons, whether they were military or hunting weapons, are scattered throughout several items under the headings of exports, among them transportation materials, electronic equipment and others. Therefore, it is difficult to determine precisely the contribution of weapons to the trade balance, although Viacava put it at \$200 million. [Text] [Rio de Janeiro GAZETA MERCANTIL in Portuguese 5 Jul 84 p 3] 8908

GOLD PRODUCTION RISE--National gold production in the gold fields in the first 6 months of the year should be greater than that of the same period last year, which reached 15 tons. Statistics of the National Department of Mineral Production [DNPM] indicate that from January to May the gold fields produced 14,225.52 kilos of gold and preliminary figures indicate a tendency to exceed 17 tons. The six greatest gold fields contributed with 79 percent of production. Serra Pelada, which in 1983 was the largest national gold producer with more than 40 percent of the total, now goes to sixth place with less than 10 percent of total production. Those six fields are in just two states, Para and Mato Grosso, which together have 93.57 percent of national gold production, counting all areas of prospecting. May production reached 2,492.76 kilos, of which 2,332.56 kilos were produced in Para (1,501.93 kg) and Mato Grosso (830.63 kg). The largest national gold field is now that of Tapajos (Para), which produced 26.4 percent of all the gold. It is followed by Cumaru (Para) with 20 percent; Alta Floresta (Mato Grosso) with 13 percent; Cuiaba (Mato Grosso), 9.41 percent; Peixoto de Azevedo (Mato Grosso), 8.4 percent and Serra Pelada (Para) with 6 percent. [Excerpt] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Jul 81 p 27] 8908

CSO: 3342/139

SPLINTERED NATIONALIST PARTIES DESCRIBE PLATFORMS

Santiago EL MERCURIO in Spanish 15 Jul 84 pp D2-D3

[Excerpt] On one side, the group of columnists who now make up the MAN [National Action Movement] leadership (Pablo Rodriguez, Gaston Acuna, and Federico Willoughby), have intensified their attacks against the government economists and industry federation representatives. On the other, the rest of the nationalists, constantly becoming more and more divided and lacking any structure to bring them together, are sunk in gloom: "We let the opportunity slip away through our fingers."

Slip away... But it didn't really slip away, they are saying now. Because after 10 years in which they believed that "all is lost," the pack of cards being reshuffled at La Moneda seems to have brought the nationalist cards to the top of the deck. And even though Pablo Rodriguez may have denied this time after time, his repeated visits to General Pinochet are known and talked about, and today we heard this comment from the "revived" nationalists:

"Everything seems to indicate that the president has finally become convinced of the failure of the program offered him by the industry federations and the Chicago economists. He feels he has been deceived, and is now turning back to us again, because we have proven our loyalty in every test; we don't talk about 'specific differences' or 'constructive opposition.' We, the nationalists, either are, or we aren't."

We also heard exclamations of "God willing," "it would be a great opportunity for Chile," "we are the only alternative the government has left," and "in 5 years we could improve the image that other groups have spent 11 years demolishing,"

Not only do they say that accepting a nationalist program between now and 1989 would be an "opportunity" for the government. They also realize that it is their great opportunity

to introduce a nationalist program now with the support of the armed forces. For in any other way, through democratic elections, with political parties, "playing the bourgeois game," creating a nationalist government would be a matter, "with luck, of a period of decades."

What Would They Do?

But the big question is, "what would they do?" If they didn't have at hand a structured program on 11 September [1973], do they have one now? Despite the multitude of tiny groups into which nationalism is splintered, such a proposal is only of any true relevance for MAN and National Advance. In the first place, because they are now the largest groups in terms of both numbers and organization, and secondly, because Pinochet would obviously think of these two groups if he were to accept any nationalist option.

We may assume that many of the names that might become a part of the administration would come from MAN. Some of them, including Gaston Acuna and Federico Willoughby, have in fact already served as officials in this regime, but this time, along with Pablo Rodriguez, the offer would not catch them off guard. One of them summarized for us three aspects of MAN's program: economic, social, and political.

The economic plan--according to the person interviewed--should aim to eliminate one of the major obstacles blocking national unity: the class struggle. Like the marxists, the nationalists see this as an inevitable reality in Chile. To explain this--saying that it has grown worse in recent years--they speak of their alarm about "the existence today of two superimposed cities: one economically powerful, and the other very poor; one privileged caste and the other a marginal class." Between these two groups, they say, there is practically no social mobility. To abolish this situation, the MAN program calls for a clear shift away from the economic policy pursued by the present regime. They want a mixed model, based on free enterprise, "in which economic freedom may coexist with rigid state control." According to this concept, the state's role would grow strongly, both in terms of the nationalists' policies of developing domestic production, and also in terms of the state's obligation to provide education, health care, and housing, in order to give equal opportunity to the most disadvantaged Chileans. On this point, the MAN leaders say that "the liberal policy is not nationalist, because it promotes a class struggle, nor is an ultra-capitalist policy nationalist, for according to that policy, the worker has no other purpose but to sell his labor."

In terms of labor, the nationalists who might join the cabinet advocate an indepth transformation of the relations between capital and labor. They maintain that so long as the owners of productive capital (businessmen) are only purchasers of labor, the antagonism between labor and management will continue to disrupt national unity. In order to change this system, they propose what they call "integrated enterprise," in which the capital provided by an employer is considered to be his "past accumulated labor."

They say that in the final result--the product made by the firm--the employer's contribution can be measured in relation to the contribution of hours worked by the employee. And when viewed in this way, they say the worker should also share the firm's profits, so in the end this "integrated enterprise" is not the property of the employer, but of the employer and worker, with each to benefit according to the extent of his contribution.

In the area of politics, the nationalist program has undergone a change over the years. While in the beginning, the nationalist program was critical of some features of the Constitution of 1980, particularly its support of a democracy based on political parties, MAN has recently decided not only to defend the Fundamental Charter wholeheartedly, but it has even become interested in seeing how it can be applied "as a function of a nationalist program." In the past it has attacked, and still strongly attacks, the "traditional political parties" (despite the fact that the nationalists now have partisan intentions), saying that all these groups, without exception, represent class interests and only accentuate the antagonism between Chileans, placing another obstacle in the way of national unity. The parties on the right, they say, represent the class that owns the means of production; those in the center, the middle class of professionals and government bureaucrats; and those on the left, the most politically aware vanguard of the working class. They claim that the great masses of the people, the silent majority, remain outside and are not represented at all through the party system. For that reason, what are known as "intermediate social groups" should be brought into the system, as generators of political power. They say that is what nationalist democracy, true democracy, really is, not the democracy that existed in Chile in the past, which they describe as "demagoguery."

Starting from this program, the nationalists say that, despite the fact that the Constitution of 1980 was designed for a liberal and traditional democracy, if it is interpreted in another way, it is possible to adapt it to the creation of a nationalist

democracy. This could be done by accentuating the importance of CODECOS [Communal Development Councils] and of CODERES [Regional Development Councils]. According to this new interpretation, these organizations could begin to generate political power, by selecting candidates for the Chamber of Deputies and the Senate. This could be done without infringing upon the participation of the political parties or the system of universal suffrage.

Advance

With this program, the nationalists feel that it is possible to join with the government during the coming 5 years. Despite their criticisms and their disappointment with the previous 11 years, they say this can be done by emphasizing what national unity would bring about: the awakening of a national soul, of a national patriotic Chilean spirit, of values and traditions--all words they repeat with great feeling and emotion.

They do this despite the fact that, speaking of unity, the political opening initiated last year splintered them into tiny groups. Outside of MAN, the largest of these is National Advance, a movement led by the publicist Cesar Hidalgo, which has created a certain lack of enthusiasm on the part of other nationalist groups. Some accuse it of being financed by government organizations, especially after the gesture of support this group gave to Pinochet in the Caupolican Theater. Others criticize the unusual nature of some of its members: the entertainer Gina Zuanic, the composer Willy Bascunan, the singer Antonio Zabaleta, the president of Colo Colo Patricio Vildosola.

The Advance leaders defend themselves against this charge, saying this is their strong point: that they don't have traditional politicians among their ranks, but nationalists who, while they are harsh critics of the economic program, are loyal to the Armed Forces government. They say that the time has come for the wealthier sectors to join in support with the poorer sectors; that this solidarity should be brought about either voluntarily or by means of legal and administrative action; through taxes on luxury goods, and income taxes that will produce a redistribution of national income.

National Advance claims that 70 percent of its members are unemployed, despite the fact that they filled the Caupolican in support of Pinochet. "However," says their leader Cesar Hidalgo, "for 10 years the public administration has been controlled by small cliques of Christian Democrats and Marxists, as can be seen from the groups inside the Banco del Estado, ENAP [National Petroleum Enterprise], CODELCO [Copper Corporation], and ENAMI [National Mining Enterprise]."

Among the other things of concern to this nationalist group is "the extensive marxist propaganda being disseminated by some of the communications media. We do not support shutting them down: they have a right to exist. But we do feel that the official government media should respond with a well organized counter propaganda campaign, unmasking the communist strategy and tactics."

Other Groups

The other nationalist groups are of lesser importance in quantitative terms. They share the positions and programs of the larger groups. All call for social equality, solidarity with the unemployed and poorer sectors of the population, taking action to unmask communism, stronger government action and state control, and the channeling of politics through intermediate social organizations, instead of the parties.

Among these groups are UNACH [Nationalist Union of Chile], led by Dr Jorge Vargas, which this weekend merged with two other small nationalist groups: FRAN [Nationalist Action Front], led by Juan Gonzalez, and former members of Jorge Prat's National Action, and the MNS [National Trade Union Movement], led by Werner Von Bishoffhausen, which numbers among its members the former National Secretary of the industry federations, Misael Galleguillos.

Aside from other even smaller groups, such as ANAPO [Popular Nationalist Action] or Vientos del Sur [Southern Winds] organized by Eduardo Diaz Herrera], which ended by splitting up and even further subdividing, the nationalists also have two crosses to bear, which they would all like to disavow, and which they feel it is "in bad taste" to mention in a nationalist context.

One of these is Franz Pfeiffer's group, which they themselves describe as a "national-socialist church, which has remained suspended [mentally] in 1936 Germany. It sings and marches for Hitler, listens to the Fuhrer's speeches, and uses the swastika as its symbol."

The other is the FREN [Nationalist Revolutionary Front], and this is apparently the worst burden the nationalists have to bear. Its leader, Irving Hahn, says: "There aren't many of us, but we are a select group." The group is described by the other groups as a sort of nationalist MIR [Movement of the Revolutionary Left]; part of its work, it says, is "to demystify nationalist evils in order to protect "the purity of the true movement."

To do this the FREN (a group of young people; the oldest is 30 and the youngest members are 14 and 15) publishes a real avalanche of leaflets named "Vanguardia," in which it accuses the MAN, National Advance, and UNACH of being "servile nationalists." It names names and spells out details. Their principal attacks are directed against the support given by the rest of the nationalists to the present government, as "this has only accentuated the division of Chile into poor and rich." Like the other nationalists, they also call for equality of opportunity and humanization of the relations between workers and businessmen. But unlike the others, they believe there must be a rapid return to democracy.

Like the others, too, these young people, who were first brought together in a 1969 course at the German School, are definitely anticommunist. But they say they are "the only nationalists capable of confronting the communists because, like them, we live our nationalism as a lifelong commitment, and like them, we are ready to die for our cause."

7679

CSO: 3348/491

CHILE

NATIONALIST UNION REQUESTS DEBT, MINING POLICY CHANGES

Santiago EL MERCURIO in Spanish 15 Jul 84 p C3

[Text] The Nationalist Union of Chile has asked the government for revisions in the current renegotiation of the foreign debt and in its mining policy. It made these appeals in a "Letter to Chile," in which it stated its "intention of serving Chile and the Chilean people."

The document says that UNACH [Nationalist Union of Chile]--which was created 2 months ago--wants to incarnate the integrating process which Chile needs for its harmony and development; it wants to serve as a meeting ground for its citizens, to be an organization that will promote the quest for unity of spirit and of action, in order to meet the historic challenge of scientific progress and the need to overcome bitterness and internal power struggles.

After speaking of the group's nationalism, the letter says that it fully supports the principle of state subsidiarity, but noted that "the principles of responsibility and solidarity should be applied with more emphasis," adding that "a spectator state which only reacts to internal or external pressures is as bad as a nation that can not harness its creative energies to meet the major national goal of libertarian and realistic development."

In another part of the document, it noted that "it is illogical to distract Chile's attention from the issues essential for setting up a true democracy, by the problem of the 150,000 signatures required to form parties."

It noted the efficacy of Article 8 of the Constitution, which states that totalitarian organizations are contrary to constitutional order.

The document explains that the Nationalist Union of Chile "is neither liberal nor marxist, since that is a false and

misleading distinction; rather, it believes in the common national welfare." It further rejects "the theory of the free market, and cites the example of the U.S. copper industry, which not only has the audacity to work against the theoretical foundations on which their country's economy is based, but which also has the shamelessness to invest at the same time in Chile's mining industry."

In later sections of this "Letter to Chile," it "respectfully urges the government not only to revise its policy of renegotiation of the foreign debt, but also to restudy the policy of mining concessions."

UNACH pointed out that the military government has made great national progress, such as "its successful campaign to eradicate extreme poverty; the good progress of the move toward regionalization; and Chile's expansion toward the interior of its southern territories." The document noted, though, that Chile should now move toward a new phase of development, "one which will deepen and strengthen these enormous historic gains."

On a more tactical plane, the document called for the eradication of "the marxist concept of the 'proletarianization' of the middle class, and urged instead 'propietarization,' as an antidote against such a totalitarian doctrine. It also called for restoring the confidence of the Chilean people in their capacity for energy and personal enterprise. In the past this confidence was eroded by a mediocre and all-encompassing statism; today it is being undermined by harsh external competition."

In the final section of the "Letter," it noted that the strengthening of social authority will result in no decline of the efficacy of political authority, and stated that UNACH does not want Chile to return to the situation of institutional collapse prevailing in 1973.

7679

CSO: 3348/491

CHILE

NEW PETROLEUM DEPOSIT DISCOVERED IN TIERRA DEL FUEGO

Santiago EL MERCURIO in Spanish 15 Jul 84 p C7

[Article by Francisco Eterovic]

[Text] Punta Arenas. A new oilfield has been discovered in Tierra del Fuego, in the area known as Marassi, south of Onaisin, the ENAP [National Petroleum Enterprise] has reported.

Both light petroleum and gas are now flowing from the first exploration well drilled in the area.

The ENAP spokesman declined, though, to discuss expectations about this discovery. He did say that "it is being evaluated in order to determine its true potential."

"A new well requires testing and some additional work must also be done in order to obtain information about its production capacity," said the spokesman.

Petroleum was found in this first well, considered a "deep" well, at a depth of 3,500 meters.

Production Increase

The same source also announced that the ENAP had produced 50 percent of the hydrocarbons consumed in Chile. Production during the first 6 months of the year amounted to 1,135,999 cubic meters, which is the equivalent of 7,127,000 barrels, the traditional measurement unit used throughout the world.

This means that there has been an upturn in production from the land fields, which had been producing at only 30 percent capacity. The increment amounted to 45 percent as of 30 June 1984.

The spokesman explained that this increase was brought about "by the inclusion of good quality development wells on land and also by the repair of some old wells, using three service units belonging to ENAP."

He also pointed out that the increased production in the land fields has been gradual. BY 31 December 1984, ENAP will reach a production level close to 2 million cubic meters of crude this year.

7679

CSO: 3348/491

CHILE

IMPORTS RISE, EXPORTS STABLE

Santiago EL MERCURIO in Spanish 25 Jul 84 p B-3

[Text] Imports were up quite sharply during the first half of the year, while exports remained practically the same as last year, a report furnished yesterday by the Central Bank indicated.

Most of the 23.6 percent increase in imports came in May and June.

The Central Bank pointed out that imports averaged \$312 million a month in May and June, whereas the average stood at \$254 million for the first third of the year.

According to the official report, the cumulative import total as of June stood at \$1.641 billion, compared to \$1.327 billion during the first 6 months of 1983. Meanwhile, exports were up only 1 percent, from \$1.979 billion in 1983 to \$1.999 billion this year.

Thus, there was a balance of trade surplus of \$358 million during the first half of the year, down more than 45 percent from the \$651 million surplus in the first half of 1983.

Imports

The official report states that the increase in imports seems to be the result of the economic expansion, "which has forced companies to replenish their raw materials and spare parts inventories and invest more to meet higher demand."

The bank bases its judgment on the fact that the increase was mainly in capital goods (up 45.3 percent) and intermediate goods (up 30.8 percent), inasmuch as imports of consumer items remained practically unchanged.

Exports

The Central Bank said that the rise in exports was due primarily to higher farm product sales, which were up 33.5 percent from the first

half of 1983. The bank drew special attention to fresh fruit exports, which rose 31.2 percent.

The report noted in this regard that fresh fruit sales increased from \$195 million to \$256 million. Exports of agricultural products in general rose from \$252 million to \$337 million.

Sales of industrial goods were up 8.1 percent, owing mainly to higher cellulose and lumber exports. In contrast, mining exports were down 9.6 percent, mainly due to the 22 percent fall in copper prices from the first half of 1983. In this case sales went from \$568 million to \$615 million [sic].

Surplus

The Central Bank indicated that the country recorded a \$19.4 million foreign trade surplus in June, contrasted with a \$1.1 million deficit in May.

There had been a \$112 million surplus in April and a \$133 million surplus in March.

8743

CSO: 3348/514

CHILE

SUGAR IMPORT TARIFF IMPOSED

Santiago EL MERCURIO in Spanish 26 Jul 84 pp A-1, A-8

[Excerpt] The Finance Ministry yesterday set a \$150 a ton surcharge on imported sugar that will boost the domestic consumer price by an estimated 10 to 12 percent from now until the end of the year.

According to the report, the surcharge will be in effect until it becomes part of the price range system that will be established soon for this and other farm products.

The general manager of the National Sugar Industry (IANSA), Veronica Gonzalez, said that the surcharge would not have a major impact on domestic sugar prices because even though they would rise a nominal 10 percent for the remainder of the year (upping the consumer price index 0.3 percent), consumers would be paying 25 percent less in real terms than in 1983.

She also noted that during the past 3 years, when world sugar prices have been the lowest in history, consumers worldwide have been paying between 40 and 60 percent more, on the average, for this item than Chilean shoppers.

She pointed out that buyers in other countries pay over \$600 dollars a ton, whereas prices in Chile are 40 to 60 percent lower.

This has been achieved, she added, while generating 30,000 new jobs, which would have added to the budget deficit in the form of outlays for job subsidies, the Minimum Employment Program and the Jobs Program for Heads of Household.

Assuming a \$4,000 subsidy per person, she added, "we have saved more than \$50 million over these 3 years, thus freeing up funds that the government can allocate for other subsidies or for job promotion or economic recovery programs."

Moreover, the general manager explained that the surcharge is an attempt to avoid pressuring banks for loans to finance IANSA's longstanding debt. Its outstanding liabilities, she said, date from 1974 to 1977,

when the government subsidized domestic sugar prices to benefit consumers, which meant that the industry lost about \$230 million.

To this we should add about \$250 million in direct sugar import subsidies during the same period, when world sugar prices stood at about \$1,000 a ton. The subsidies pushed prices at the consumer level down to \$500 a ton.

IANSA's carry-over debt currently totals some \$43 million, on which it has to pay between \$10 and \$12 million in interest this year.

8743

CSO: 3348/514

CHILE

MINISTER DISCUSSES AGRICULTURAL REACTIVATION

Santiago EL MERCURIO in Spanish 26 Jul 84 p A-1

[Text] Farm sector exports will total \$750 million, while imports will hit some \$450 million, giving the sector a trade surplus of \$300 million.

This information was furnished by the minister of agriculture, Jorge Prado, during his report yesterday at the cabinet meeting that was presided over by the president of the republic, Gen Augusto Pinochet, at La Moneda Palace.

The minister stated that the agricultural trade balance surplus will be \$150 million larger this year than last, adding that unemployment in the sector at this time of the year is around 7 percent and that it is expected to drop to 5.5 percent during the summer.

Prado said that farming is "clearly on the road to recovery," emphasizing the optimism and cooperative spirit of farmers. On behalf of the government he thanked the farmers for the efforts that they are putting forth, pointing out that "the most important thing in agriculture is stable policies, and this is why we have established the entire Three-Year Program, which the economy minister will be explaining soon."

He reported that the surface area under cultivation this season would be some 370,000 hectares larger than 2 years ago, totaling 1.23 million hectares. He went on to say that some 600,000 hectares would be under wheat, which will supply close to two-thirds of our total domestic consumption. He said that this brings the country closer to self-sufficiency in the grain.

Regarding forestry, he indicated that the government is promoting programs under which 70,000 hectares of trees will be planted this year. He said that the government is interested in such programs because they absorb a great deal of manpower.

Storms

When asked about the final assessment of storm damage, Prado stated that the most serious problem in the fourth region was the destruction of irrigation canals and intakes. He reported that yesterday the decree was signed declaring the fourth region and some communities in the fifth a "disaster area." The decree enables the Agriculture Ministry to transfer its own funds to the Public Works Ministry so that it can repair the damaged infrastructure, both public and private.

"Until a few days ago," he said, "the solution proposed to farmers in the fourth region had been credit lines," adding that "we are now modifying our approach to the problem, because we are dealing with a natural disaster, so that this time the government can take direct action at the river intakes."

He also indicated that "very low-interest loans" would be granted through the Agriculture and Livestock Development Institute to irrigation subscribers in the area "to help them repair the damage to the inside of the canals. In other words, the Public Works Ministry is taking action in the rivers and at the canal intakes and helping to repair the inside of the canals through highly subsidized loans," he stated.

He indicated that these measures are expected to help the fourth region put the worst of the crisis behind it, adding that the entire system is expected to start up in 30 or 40 more days.

Lastly, Prado reported that over the past 30 days he has made an extensive swing through the 4th to 10th regions.

8743

CSO: 3348/514

ANTARCTIC TOURIST PROGRAM DESIGNED TO PROMOTE SOVEREIGNTY

Santiago EL MERCURIO in Spanish 24 Jul 84 p C-1

[Text] Starting in the last quarter of this year, the National Tourism Service (SERNATUR), in conjunction with the Chilean Air Force, will set in motion a comprehensive tourist program in the Chilean Antarctic.

To this end, representatives of the Air Force, the Foreign Relations and Economy ministries, SERNATUR, CORFO [Production Development Corporation] and private business will travel next week to the "Lieutenant Marsh" Base in the Antarctic to ascertain what sort of lodging and transportation could be offered to visitors there and to look after other details that would make tourist excursions possible.

The hope is to make the plan available to the public next March. The currently estimated cost is \$275 (about 27,000 pesos) for round-trip air fare and \$35 a day for lodging.

Margarita Ducci, the national tourism director, explained to EL MERCURIO that the initiative is in keeping with the desire to establish sovereignty in the region, especially now that the first civilian settlement, Villa Las Estrellas, has been founded there. Another purpose is "to open the Antarctic to tourism, especially to foreigners," she added.

The SERNATUR director also reported that tomorrow, Wednesday, she would meet with the commander in chief of the Air Force, Gen Fernando Matthei, who is also a member of the Government Junta, to work out the details of the next trip and of the program itself.

From Punta Arenas

Companies from several countries are currently offering tours of Antarctica, "but none of them include lodging," Margarita Ducci asserted.

Under the original plan, the tour would consist of a 3- or 4-day stay at the Chilean Air Force lodging in the Antarctic. A commercial flight would take passengers to Punta Arenas, where a Hercules C-130 would then fly them on to their final destination. Using transportation specially designed for the terrain there, the tourists would then have the opportunity to visit the region's attractions.

The tourism director indicated that many people are already interested in the plan, adding that 120 persons have signed up so far.

CHILE

BRIEFS

RENEGOTIATION BOOSTS RESERVES--The Central Bank reported yesterday that the country's international reserves totaled \$2.15 billion as of the close of the first half, mainly as a result of the rise in June. The increase stemmed mainly from the receipt of part of the \$780 million loan that foreign banks had granted under the debt rescheduling arrangement. The transfer totaled \$390 million, \$260 million of which went to repay short-term liabilities with the Bank of International Adjustments; the rest was added to the country's reserves. Reserves fell \$73.2 million from April to May and stood at \$2 billion, the lowest level since November 1983. Meanwhile, international assets (which include liabilities with the IMF) rose in June to \$2.86 billion, up \$145.5 million from May and \$238.4 million from December 1983. The Central Bank report also indicated that the balance of payments posted a \$101.4 million surplus in the first half. In this regard, the Central Bank explained that the \$136.2 million difference between this amount and the rise in the country's international reserves during the same period is due to transactions that have "to be posted as holdings but must not be included in the balance of payments because they are not overseas transactions, such as, for example, conversions of gold and depreciations of gold and other currencies." The balance of payments had posted a \$42.3 million deficit in May after showing a surplus during the first 4 months of the year. [Text] [Santiago EL MERCURIO in Spanish 25 Jul 84 p B-1] 8743

PADENA TO JOIN ADENA--Leaders of the National Democratic Party (PADENA) will meet today with Juan de Dios Carmona, the president of ADENA [National Democratic Accord], an umbrella political party organization, to make good their decision to join the organization. They are thus carrying out the decision hammered out with 40 provincial delegates at a meeting yesterday under the chairmanship of Apolonides Parra. They made their decision "in view of the need to strengthen a great national movement [cauce] that will foster progress towards a renewed democracy." The Valparaiso PADENA has resolved to join ADENA immediately; the decision had the unanimous backing of the regional board, former Deputy Ruben Hurtado and former Deputy Jose Oyarzun, the group's presiding officer. [Text] [Santiago LA TERCERA DE LA HORA in Spanish 26 Jul 84 p 14] 8743

MORE UNIONS, FEWER MEMBERS--The number of Chileans who were members of labor unions during 1982-83 declined from 347,470 people to 320,903, according to union statistics released by the head of the department of union organization of the Labor Directorate, Carlos Koch. According to the information released by Koch, this 7.65 percent decline in union membership was caused by changes in employment, since many people are not willing to join a union immediately upon starting a new job, until they see the benefits union membership can give them. He also reported that 353 new unions have been created in Chile, raising the number from 4,048 organizations to 4,401. The increase came about because of the extensive freedom covering union formation, affiliation, and facilities afforded by current labor legislation. If within 6 months a confederation does not have the requisite number of organizations affiliated with it (more than 20), it must be dissolved or its bylaws must be changed, said Koch. He added that in many cases, statistics are prepared when union affiliation renewals are being sent in, so many cases could be regularized at that time. He also reported that the confederation representing the largest number of members is the copper workers union, with 22,314 people; following it is the Banking Employees Confederation, with 6,154 members, and in third place is the CEPCH [Chilean Confederation of Private Sector Employees], representing 5,973 workers. The individual unions with the most members, according to the ministry spokesperson, are: in first place, the Banco del Estado, with 6,500 people; in second place, Chuquicamata, with 5,000. Next are the Huachipato Union with 4,500 members; and Sewelly Mina of El Teniente, CODELCO [Copper Corporation of Chile], with 3,200. [Text] [Santiago LA NACION in Spanish 11 Jul 84 p 6] 7679

ARAB CONGLOMERATE CONTROLS BHC--Saudi Arabia's Bin Mahfouz group yesterday acquired control of BHC Desarrollo y Comercio Internacional S.A. [International Trade and Development, Inc]. The firm's name and board of directors were then changed. Sources from the Saudi group yesterday told ECONOMIA Y NEGOCIOS that the Bin Mahfouz conglomerate "increased its holdings in BHC, to such an extent that it has now acquired control of this firm, through Pathfinder Securities Inc." It was also reported that "this operation shows the Bin Mahfouz group's interest in expanding its activities in Chile. The Saudi group's intention is to increase sales of Chilean products abroad, by means of its extensive international and financial connections." The Chilean firm will continue to operate under the name of "C y D Comercio y Desarrollo Internacional S.A.," and will have a new board of directors, composed of Messrs Fazi Ameer, Alvaro Arroyo C., Gonzalo Ibanez L., Sebastian Obach, and Scott Perry. [Text] [Santiago EL MERCURIO in Spanish 11 Jul 84 p B1] 7679

MALMIERCA, CONGOLESE FOREIGN MINISTER ISSUE JOINT STATEMENT

Havana BOHEMIA in Spanish No 25, 22 Jun 84 pp 78-79

[Excerpts] On an invitation from Comrade Pierre Nze, a member of the Politburo, head of the Foreign Relations Department of the Congolese Labor Party and minister of foreign affairs of the People's Republic of the Congo, Comrade Isidoro Malmierca, a member of the Central Committee of the Communist Party and minister of foreign relations of the Republic of Cuba, paid an official visit of friendship to the People's Republic of the Congo from 9 to 15 May 1984.

The fraternal bonds of deep-seated friendship between the Congolese and Cuban peoples, their loyalty to the anti-imperialist struggle and their common ideals of peace, justice and democracy prompted the Congolese people, their party and government to give a particularly warm and enthusiastic spontaneous reception to the head of the Cuban diplomatic corps and to the delegation accompanying him.

The Cuban foreign minister was received by Comrade Denis Sassou-Nguesso, the chairman of the Central Committee of the Congolese Labor Party, president of the republic and chief of state, to whom he conveyed the fraternal greetings of his brother and friend, Comrade Fidel Castro Ruz, the first secretary of the Central Committee of the Communist Party and president of the Councils of State and Ministers of the Republic of Cuba.

Representing Cuba in the talks were:

--Giraldo Mazola, vice minister of foreign relations;

--Raul Barzaga, deputy director of the Sub-Saharan Africa Division;

--Dario Urrea, special plenipotentiary Cuban ambassador to the People's Republic of the Congo, and

--Francisco Chao, head of the Sub-Saharan Africa Division of the Foreign Ministry.

Representing the Congo were:

--Alphonse Nkouka, director of the ministerial cabinet;

--Marcel Essle, political adviser;

--Corneille Moka, diplomatic adviser;

--Joseph Ouabari, interim secretary general;

--Roger Issombo, special plenipotentiary ambassador of the People's Republic of the Congo to Cuba, and

--Rigobert Ban Ethat, director of the Department of Asia, the Americas and Oceania.

The foreign ministers of the Congo and Cuba exchanged views on world problems, informed each of the situation in their countries and placed particular emphasis on the expansion of bilateral relations.

The two delegations voiced identical views on the issues broached and expressed their satisfaction over the fruitful relations of friendship and cooperation that have developed between their two countries during the 20 years since diplomatic relations were established. At the same time, they expressed a resolute determination to continue expanding and strengthening their mutually beneficial political, economic, scientific, technological and cultural ties.

The Congolese delegation underscored and hailed the accomplishments of the Cuban people in building socialism and the efforts they have made to bolster their defense against the permanent hostility, threats and aggressions of American imperialism. In addition, it came out for an end to the U.S. economic blockade of Cuba and for the return of the illegally occupied territory on which the Guantanamo Naval Base sits.

In examining the international situation, the two ministers reaffirmed the urgent need to halt the arms race, to struggle for peace and to prevent the start of a nuclear war that would have disastrous consequences for mankind. They strongly condemned the aggressive policy of global confrontation that the current U.S. administration is pursuing and its ambitions to achieve military superiority over the socialist camp, to impose its political and military hegemony on the world and to forcibly crush the just revolutionary and national liberation struggles of peoples.

Both sides were in agreement as to the gravity of the current international economic crisis, which is hitting the underdeveloped countries particularly hard, and they underscored the pressing need to continue the common struggle for a new, more just and equitable international economic order.

Taking up the prevailing situation on the African continent, the two delegations reaffirmed their identical views on current burning problems.

In this regard, they voiced their concern over the tense situation prevailing in southern Africa, stressing that it was due to the aggressive policy being pursued by American imperialism and the South African racists against the countries there in their bid to impose their hegemony in the region, reverse the revolutionary processes and prevent the people of Namibia from achieving independence.

They reaffirmed Cuba's and the Congo's unqualified solidarity with their sister peoples in Namibia and South Africa and underscored the need for the countries of Africa, their nonaligned nations and all progressive and democratic forces in the world to increase their support for and lend effective assistance to the heroic struggle that the Namibian and South African patriots are waging under the leadership of their sole legitimate representatives, SWAPO and the ANC [African National Congress].

The two ministers reaffirmed the solidarity of their governments with the heroic struggle of the Angolan people in defense of their territorial integrity and sovereignty and hailed their firm stand in the face of the military aggression and economic and political pressures of the imperialists and the South African racists. In this context, they voiced their strongest opposition to any attempt to link the independence of Namibia with the withdrawal of the Cuban internationalist troops from Angola and backed the Joint Declaration that the presidents of Cuba and Angola signed on 19 March 1984, emphasizing that it is the basis for any negotiated settlement to dispel the current tensions and assure peace and full independence for the nations in the region.

The two delegations strongly denounced the criminal attack on civilian Cuban workers in the Angolan city of Huambo, an attack that claimed many victims among those fulfilling the noble mission of making a modest internationalist contribution to the national reconstruction of Angola and among Angolan workers as well. The responsibility for this ignominious act belongs to those who provide weapons to, train and send counterrevolutionary gangs out on such desperate missions against Angola.

Regarding the Western Sahara, the ministers voiced their support and solidarity for the heroic struggle of the Saharan people, led by the Polisario Front, to achieve their self-determination and independence, in accordance with the resolutions of the United Nations and, in particular, of the Organization for African Unity (OAU). They agreed that only direct negotiations between Morocco and the Polisario Front, in line with Resolution 104 of 19th OAU Summit Meeting, can lead to a successful conclusion of the peace process begun in Addis Ababa.

Concerning Chad, the two delegations voiced their concern over the prevailing situation in that country. They judged that the Chadian

people alone should settle the conflict, in keeping with OAU principles and respect for their territorial integrity and sovereignty.

The two sides denounced the imperialist maneuvers and threats that are jeopardizing the peace in the Horn of Africa, in flagrant opposition to the interests of the peoples on the continent and in flagrant violation of the principles governing relations between OAU member countries.

The two ministers stressed the importance of the Organization of African Unity and the outstanding and valuable role that it plays in defending the legitimate interests of the African peoples against colonialism, racism and apartheid. They voiced confidence that the organization would be able to iron out the difficulties besetting it and score another victory over the enemies who are trying to divide the peoples of Africa.

Taking up the situation in Latin America, the two delegations reaffirmed their severest denunciation of the aggressive, interventionist policy of American imperialism, the most recent manifestation of which was the direct invasion of Grenada, in contempt of the legitimate interests of the people of Grenada and international law. The Congolese group also expressed its admiration for the reaction of the Cuban workers on the island to the brutal and unjustified imperialist aggression.

The two ministers reaffirmed their solidarity with the Nicaraguan people, who are the victims of destabilizing actions by the U.S. Government. They also expressed concern over the border violations, the military maneuvers and the provocations, sabotage and attacks by mercenary gangs organized and supported by the United States. They vigorously condemned the mining of Nicaraguan ports, a criminal action that flagrantly violates international law.

They reasserted their support for the heroic struggle of the Salvadoran patriots and denounced the continued efforts of the United States to hamper the search for a political solution to the conflict in that country through negotiations among the interested parties, including the FMLN-FDR.

The two ministers voiced support for the efforts to find a solution to the conflict in Central America through political negotiations within a framework of respect for the right of peoples to independence and sovereignty, and they hailed the proposals that Salvadoran revolutionaries have put forward to that end, as well as the Nicaraguan Government's constructive and receptive attitude.

They also reaffirmed their support for the efforts of the Contadora Group.

The two ministers once again voiced their support for the just cause of the Puerto Rican people who are struggling for self-determination

and sovereignty and reaffirmed their solidarity with all the peoples waging struggles in Latin America and the Caribbean.

Examining the situation in the Middle East, the two parties reiterated that the crisis cannot be resolved unless Israel withdraws its forces from the occupied Arab territories and unless there is a recognition of the legitimate right of the Palestinian people to create their own independent State under the leadership of the PLO, their sole legitimate representative.

The two ministers condemned Israel's aggressive, expansionary policy, backed by American imperialism, which is the main cause of the deteriorating situation in the Middle East, most of all in Lebanon.

The two parties voiced their concern over the continuing war between Iraq and Iran and went on record as advocating a just and honorable political settlement of the conflict, which would benefit the peoples of both countries.

As far as Asia is concerned, the parties reaffirmed their support for the peoples of Vietnam, Laos and Kampuchea in their efforts to achieve a climate of peace in Southeast Asia, in line with the points contained in the Declaration of the Summit Conference of Indochinese Countries in February 1983.

The two ministers underscored the importance of the Movement of Nonaligned Countries and the influential role that it plays on the international scene. They agreed that firm adherence to the principles and goals of the Nonaligned Movement and close-knit cooperation between its members are the way to continue the struggle for strengthening world peace, respect for their legitimate interests and their efforts to establish a new international economic order.

Comrade Minister Isidoro Malmierca expressed thanks for the warm and hospitable welcome that both he and his delegation received during their stay in the People's Republic of the Congo and extended an invitation to Comrade Pierre Nze, the foreign minister of the People's Republic of the Congo, to pay an official visit of friendship to Cuba.

He accepted the invitation with pleasure, and the date of his visit will be set through diplomatic channels.

Issued in Brazzaville, 15 May 1984

For the Government of the Republic of Cuba, Isidoro Malmierca, Minister of Foreign Relations

For the Government of the People's Republic of the Congo, Pierre Nze, Minister of Foreign Affairs

DOMINICAN REPUBLIC

SANTIAGO FREE TRADE ZONE REPORTS EXPANSION

Santo Domingo LISTIN DIARIO in Spanish 29 Jun 84 pp 1, 13

[Text] Santiago's industrial free trade zone added 7 new businesses and 4 others expanded their activities during the last fiscal year, offering employment to almost 12,000 workers, according to information presented during the 10th annual meeting of the corporation that administrates this free trade zone.

A communique from the corporation, calling the 1983-84 fiscal year "the year of record achievements," reads as follows:

Yesterday, on holding its 10th annual general assembly, the Santiago Industrial Free Trade Zone reported that 7 new companies started doing business during fiscal year 1983-84 and that 4 already established firms expanded their operations, making a total of 51 industries established that provided blue collar jobs for 10,500 workers by 31 March and now employ nearly 12,000 laborers. The meeting took place in the assembly room of the corporation, located in the district of Hoyo de Lima.

The level of activities has intensified to such a point that the corporation will have to increase its liquid assets substantially. The members of the Administration Council have worked out a 2-year expansion program, at an estimated cost of RD\$11.5 million, that includes the construction of 29 large buildings with a total area of 53,941 square meters, including the infrastructure.

The report presented at the meeting by the president of the corporation, attorney Victor M. Espaillat Mera, states that at the end of the 10th fiscal year, which ended last 31 March, "the execution of the expansion program cannot be postponed, especially at this time, when the development of activities in the free zone is an important factor in making the most of the advantages offered by the Law for Economic Recovery in the Caribbean Area (Reagan Plan)."

An interesting fact that stands out in the president's report is that "the satisfactory results have been the product of the expansion of our services together with a policy of control of the expenses." The corporation's income reached RD\$1,268,322, which represents an increase of 13 percent over the previous year, and the expenses increased to RD\$867,527, leaving a favorable balance of RD\$400,795. Included in the expenses were the entries corresponding to the depreciation of buildings, for a total of RD\$271,698, and to the payment of interest to banks, for a total of RD\$69,466.

Evidently the work of the free zone has been successful, and perhaps it is the most effective instrument for fighting unemployment in the municipality of Santiago and nearby areas.

The most important step taken by the corporation during the period ending on 31 March was the purchase of 202,939 square meters of land, almost equalling the present area of the zone, which guarantees its development over the next 5 years while maintaining the extraordinary rate of construction of the past year. This expansion of 202,939 square meters was authorized by the president of the republic, Dr. Salvador Jorge Blanco, through Decree No 1913.

The collection of foreign exchange from the businesses of the free trade zone, which is the responsibility of the Central Bank, reached the sum of US\$17,905,757.

Attorney Espallat Mera said at the end of his report that the accelerated inflationary effects the country is experiencing seriously affect the operation and expansion of free zones and of the businesses located in them. He adds, "This situation, which threatens the existence of the free zones and all the benefits deriving from them, especially the creation of jobs, requires the application of urgent measures that would counteract the negative effects of the crisis. Considering that the businesses of the free zones generate the foreign exchange with which they pay their costs and expenses. It should be pointed out that these corporations do not operate within the dollar market but they do suffer the consequences of the foreign exchange parallel market, which at this moment is almost three for one. Compensation for the increases would be made through a decree giving the operators in the free zone 100 percent of the foreign exchange that the businesses located in the free zone must pay for rent, upkeep and other services."

He points also that "In our case, the historical results of excess income over expenses could turn into negative results (expenses in excess of income) if the aforementioned solution or another measure that would produce the same effect is not adopted."

Attorney Espallat Mera was assisted by the secretary, Mr. Alejandro Santelises, by engineer Fernando Ferreira and by attorney Eddy de Luna, general administrator and assistant administrator respectively.

Also present at the meeting were Mr. Jose Armando Bermudez, engineer Simon Tomas Fernandez, engineer Carlos Sully Fondeur, attorney Victor Garcia Sued, Dr. Francisco Jose Thomen, engineer Hector Jacquez, engineer Felix Garcia, Mr. Raul Torres, Dr. Octavio Almonte Fermin and Dr. Julio Alfredo Desangles, all members of the corporation, as well as the consultants Dr. Blas Santos, Dr. Luis Bircan Rojas and Mr. Genaro A. Perez P., in charge of promotion.

9907

CS0: 3248/703

NDP SEEKS TO CONTEST SEATS IN 5 OF 15 CONSTITUENCIES

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 84 p 5

[Text] ST. GEORGE'S, Mon., (Cana): THE National Democratic Party (NDP) says it must be allowed to contest seats in five of Grenada's 15 constituencies, if it is to join in an alliance with two other moderate parties to context general elections, later this year.

Party leader George Brizan said if the Grenada National Party (GNP) and the Grenada Democratic Movement (GDM) turned down the request, the NDP would contest the poll alone and field 15 candidates.

The three parties have been holding talks on the alliance since early this year, and the question of allocating five seats to the NDP is the main hold-up to an agreement.

Under the present proposals, the GNP, led by former Premier Herbert Blaize, has been given seven constituencies, and the GDM and NDP four each.

"Based on the work we have done to date, based on the machinery we have established, and the following we have built up in the field, we cannot accept four seats only," said Brizan.

Blaize, Brizan, and GDM leader, Francis Alexis, failed to resolve the issue in talks last week. Brizan said the NDP executive wanted "a more reasonable accommodation."

Strong Following

"We had proposed earlier on, and we stick to that proposal that we be allowed to stand in five constituencies where we have done a fair amount of work, where we have a machinery, and where we have a strong following," said Brizan.

Political observers see the three-party alliance as crucial to fending off a possible victory for former Prime Minister Eric Gairy's Grenada United Labour Party (GULP). Gairy is not standing in the election.

CSO: 3298/1042

GRENADA

GAIRY WARNS AGAINST ANY POSTPONEMENT OF ELECTIONS

Port-of-Spain TRINIDAD GUARDIAN in English 30 Jul 84 p 9

[Text] ST. GEORGES', Sun., (AP)--MR ANDRE CHERMAN, President of the Grenada Hotel Association (GHA), said that Sir Eric Gairy, former Prime Minister of Grenada, has warned against any postponement of general elections scheduled to be held before the end of this year.

At a Press conference, Mr Cherman said the warning came at a meeting the GHA had with Sir Eric.

Sir Eric criticised the association for asking for a postponement of the elections, Mr Cherman said, and he said that if they were postponed, there definitely would be violence in the island.

Sir Eric also said certain managers, owners and directors of hotel would have to account for their behaviour in trying to undermine his trade union, the GHA President reported.

Mr Cherman said the purpose of the meeting with Sir Eric had been to discuss tourism guidelines with GHA has set out, but that these discussions did not materialise.

"We did not have any tourism discussions at all:" Mr Cherman said. "The meeting was just a one-sided affair with Sir Eric making personal and collective attacks of members of the association and the association itself."

CSO: 3298/1042

FALLING PRICES, LABOR UNREST HURT NUTMEG INDUSTRY

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 84 p 14

[Text] THE NUTMEG industry in Grenada, mainstay of the island's agricultural economy, is facing collapse due to continuing industrial unrest and falling prices.

The Grenada Co-operative Nutmeg Association (GCNA), which has a membership of more than 7,000 large and small nutmet farmers, is locked in negotiations over a new wages agreement for workers in the industry.

The Commercial and Industrial Workers' Union (CIWU) represents some 50 clerical, monthly-paid employees, and the Bank and General Workers' Union (BGWU) holds bargaining rights for the estimated 700 daily-paid workers.

In the light of a breakdown in negotiations, the workers are reportedly on a "go slow" at the 19 receiving and processing nutmet stations throughout Grenada.

Due to falling prices--from \$2.48 per pound (freight on board) in 1980, down to the current price of \$1.30--and the fact that the association is operating at a deficit, the GCNA says it is unable to meet the demands of the unions.

Monthly-paid clerical staff each receive an annual salary increment of \$40 per month, according to a release from the GCNA. Although the last agreement with the CIWU expired in December 1982, each worker received the \$40 increment in 1983 and 1984, except those who had reached the maximum of the salary scale. And even in those cases agreed to extend the maximum so that those workers could also receive an increment.

According to the release, the association is saying that it is unable at this time, in view of the critical financial situation, to give an increase over and above the incremental increases. But it has promised to review the matter early in 1985.

Offer Rejected

The CIWU has agreed to accept the incremental increase for 1983, but in addition, is demanding a 15 per cent across-the-board increase from January 1984.

In the case of the daily-paid workers, the agreement between the GCNA and the BGWU provided for wage increases each year over the three-year period 1981 through 1983.

In view of the serious financial position of the industry, the GCNA's Board says it is prepared to pay in 1984 the same increases paid in 1983--50 cents to 60 cents per day depending on the category of worker. The Board has also promised to review the daily-paid situation early in 1985.

The union has rejected the offer and is demanding increases of \$5000 per day for men and \$4000 per day for women spread over a three-year period, provided over a three-year period, provided the increase for 1984 is no less than one dollar per day with the balance divided between 1985 and 1986.

The farmers say that the very small returns they were receiving made it uneconomical to harvest their crop. Some of them have already abandoned their fields.

Preliminary figures for the financial year show a decline in gross revenue to \$8.5 million from \$11.7 million in 1983, resulting in a trading deficit of about \$1 million.

Annually, at the close of the GCNA's financial year, a 'bonus' payout is made to the 7,000 growers. In 1979, the growers received one of the largest payouts--\$4.3 million. But in 1983, the payout dwindled to \$1.2 million. This year--1984--the bonus payout looks bleaker than ever.

The association has referred the pay deadline to Labour Commissioner Percival Louison, who has put the matter before Mr. Patrick Emmanuel, a Minister in the Interim Government responsible for Labour. Separate meetings have been held with the management of the GCNA and the two unions.

CSO: 3298/1042

BRIEFS

CARRIACOU AIRSTRIP, JETTY--Carriacou will shortly have a new terminal building at its Lauriston airfield. A new structure--73 feet by 30 feet--to replace the aged and deteriorating wooden hut, is being built close to the old hut. Construction work, which got underway in June, is being funded by Grenada's Interim Administration. It is expected to be completed by year's end. Simultaneously, improvement works are also in progress on landing and runway facilities. Almost daily Carriacou is served with flights by LIAT, as well as by Inter-Island Air Services from Grenada, St. Vincent, Saint Lucia and Barbados. Air traffic to the island over the past few years has been on the increase, hence it is planned that 21-seater aircraft will replace the existing nine-seater 'planes. Carriacou's newly-constructed jetty at Hillsborough is expected to be completed by September. Construction of the 270-foot jetty is being done on contract by Samos Limited from Trinidad. The work is being supervised by Mr. Terry O'Sullivan, and is being funded by the Grenada Government. Estimated cost of the project is EC \$1.2 million. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 1 Aug 84 p 1]

CSO: 3298/1042

NETHERLANDS ANTILLES

BRIEFS

U.S. VISIT DISAPPOINTS CROES--Oranjestad--From the Dupont Plaza Hotel in Washington, General Advisor Betico Croes--who is expected back on Aruba by tomorrow--told Extra Aruba that the two-day talks at the State Department had not produced the desired result. However, because of the talks, people had become better informed about the present situation. After arriving on Aruba, Mr Croes would go into this further during a press conference. The general advisor was able to make many contacts, and got a good reception in the American capital. He had a meeting with the Venezuelan ambassador, Dr Valentin Hernandez--former minister of Energy and Mining--who arranged the journey and the contacts for Mr Croes. During a talk with the Dutch ambassador, this official was surprised by the visit of Mr Croes, of which he had not been informed. Mr Croes was of the opinion that his visit was good for several people, to whom he gave the necessary information. For example, several people at the State Department appeared to be not informed about the RTC [Roundtable Conference] decisions and [the] future of Aruba. The fact that the Dutch ambassador was not informed was reason to Betico Croes to let it be heard that he had informed Governor Romer, and Prime Minister Don Martina on Saint Martin, before his departure for the United States. Mr Croes today will travel back to Aruba by way of Miami. The possibility should not be excluded that he still will meet some officials in Miami. [Text] [Willemstad AMIGOE in Dutch 4 Jul 84 p 8] 12568

HONG KONG INVESTORS SOUGHT--Willemstad--The governing board of Curacao has decided to send a delegation to Hong Kong in order to see whether investors from there can be attracted. The central government has had this idea for some time, as well, but details about this are still not forthcoming. In a brief press report, the island government let it be known today that the decision has been made to send a delegation to the British crown colony, which will lose that status by 1992. After that time, the territory will be handed over to the People's Republic of China. The decision of the government is meant in the framework of the intentions to combat employment [as printed] and to increase economic activities, the island government said. Not only representatives of the island region itself participate in the Curacao delegation, but also some other sectors of the community. It is the intention to ask the central government to take care of those aspects of the journey, which fall under the competence of the central government. Further details about these plans were not to be had this morning from Deputy Jules Eischen of Economic Development. For that matter, at the central government, the greatest silence is maintained about such plans. There, it is being said, among other things, that it is very important to the time of a visit to Hong Kong is very

important [as printed]. The competition, not in the least from the Caribbean region, is exceptionally fierce for attracting all kinds of economic activities from Hong Kong, where businessmen are beginning to feel less secure as 1992 approaches. [Text] [Willemstad AMIGOE in Dutch 4 Jul 84 p 8] 12568

CSO: 3214/53

IU STRATEGY, TACTICS REVEALED IN INTERNAL DOCUMENT

Lima OIGA in Spanish 23 Jul 84 pp 15, 72

[Article by Pedro Planas; passages enclosed in slantlines printed in boldface]

[Text] Last Wednesday, 4 July, the members of the National Directive Committee (CDN) of the United Left (IU) finished drafting the final document containing the IU strategies and tactics concerning the current national situation, based on the conclusions reached by the Third Expanded National Directive Committee in April of this year. This document, which has been distributed to very few members of the IU itself, was prepared to be sent out to the IU grassroots organizers to inform them of the real objectives of this leftist front in the upcoming political season.

The document has no title or cover page, which is very unusual for documents put out by the Left, in an effort to avoid drawing attention to it. The IU's CDN does not have a great propensity for preparing policy-setting documents such as this.

We do want to make one qualification: this is not a matter of casting aspersions on the Left, but simply of demonstrating, revealing, its true motivations (which are set forth in black and white in this internal IU document) with respect to our political situation. Such motivations are often not revealed by a suit and tie, a carefully trimmed moustache or a very "nice" and very ambiguous turn of phrase. This document is, then, literally very revealing.

The "Denouement:" IU and the "New Government"

The document begins by discussing our critical situation and adding a prediction: /"We are moving toward a sharpening of social contradictions."/ That, and nothing else, /"explains the popular mobilization, the work stoppages and strikes."/ In view of this social and economic crisis, the IU document acknowledges that /"the opposition is not providing a viable alternative."/ What appeared to be self criticism ended up shifting all of the blame to the American Revolutionary Popular Alliance (APRA), due to its /"courtier-type opposition, based on its electoral aspirations for 1985."/

Although there is no explicit self-criticism, it is implicit; there is also an interesting distinction from the Aprista Party of Peru (PAP). If the PAP was not a "valid alternative" because of its electoral ambitions, one wonders why the IU was not either. The only conclusion that can be drawn is that the obstructionist opposition carried out by the IU so far has another, undisclosed strategic purpose which goes beyond mere electoral aspirations.

This strategy is becoming increasingly clear. It should be recognized that under the present circumstances not only is the government being worn down—which would be the PAP's electoral objective—but there are also /"the contradictions of the term,"/ which /"are becoming factors in the sharpening of objective contradictions."/ This goes beyond the election calendar, because /"it is valid for the rest of the current term, and for the upcoming term in 1985. For this reason,"/ it adds, /"we mention the objective need for a denouement phase resulting from the current tactical period."/

The CDN of the IU confesses its priority objectives within the upcoming political term by using that new phrase, /"denouement phase."/ The document is even more specific: /"This denouement phase will take place once the new government exhausts the reserves of expectations raised by its election, and once the strategic contradictions of the present emerge anew, sharper and clearer."/

This /"next government"/ would be /"openly unstable"/ because of the correlation of political forces, so /"the initial expectations raised by its election would tend to dissipate rapidly, and the economic, social and political contradictions that have been building up during the current term would exert pressure toward a denouement. . . which would be the necessary condition (for) taking power."/

It becomes very clear, then, that the IU "directors" interest lies in the "sharpening of contradictions" and in the subsequent "denouement" so that it can ultimately "take power." This is well written. The electoral process is not given much attention. The IU seems to be more interested in agitative power than in executive power. That can be seen clearly when it talks of the "new government" as an isolated entity, distinct from the IU itself.

Who would this "new government" be? These "contradictions" may not always be as sharp. /"An APRA victory,"/ asserts the document, /"could hide these contradictions once again behind the alliances that it could form with greater consistency than Popular Action (AP), taking advantage of the power of the state. This would once again retard popular and revolutionary progress."/ (Note the curious usage of the acronym APRA.) It states clearly, however, that it would only "retard" progress.

Although only the last paragraph of the corresponding subdivision of the document is devoted to the "Belaunde about-face" it mentions the /"hypothetical case of the IU winning the elections."/ If that were to happen, /"the political situation would change drastically"/ (would these famous "contradictions" disappear, then?). The fact is that in that "hypothetical case," given that the "right" /"would seek to overthrow it in the name of democracy,"/ then, claim the IU leaders, /"the use of the revolutionary violence of the masses in

defense of the new government would be completely legitimate."/ Thus, we have been forewarned.

"Build-up of Forces"

Two points separated the IU from the Sendero Luminoso [Shining Path]: on the one hand, the need to "prepare the masses" with the proper "build-up of forces" (subjective conditions), and on the other hand, the fact that our country is not yet in a genuine "revolutionary situation" (objective conditions), the end product of the "sharpening of contradictions." That is what the IU would be working on.

It is necessary to /"build up forces for the democratic insurgence of the people,"/ pronounces one of the subtitles. /"We see the transition, therefore, to a genuine revolutionary situation as a complex process of building up comprehensive forces in society,"/ the document explains in one paragraph.

In analyzing the new phase, and before proposing as a /:central tactical objective"/ this "build-up of forces," the document recognizes a situation of /"political and social violence as the activities of Sendero Luminoso coincide with the development of the 'dirty war' or the 'anti-subversive war' waged by the military sectors that are now in charge of the Armed Forces."/ They are very generous with the Sendero Luminoso, whose deeds are simply called "activities," while they judge the Armed Forces harshly, as always.

The document reveals another attitude toward the military as well, as a key element in the aforementioned "build-up of forces." Specifically, it says: /"Particular importance should be attributed in our strategic view to the treatment of the Armed Forces. We should launch a propaganda and agitation campaign to show the masses and the members of the Armed Forces the role that has been assigned to them thus far as an institution . . ."/ Moreover, it asserts that /"we must infiltrate the Armed forces, winning over the patriotic sectors (?) to our revolutionary plan."/

In sum, all of this /"significant build-up of political and organic forces necessary to have some impact on the subsequent turns taken in the present political period,"/ that is, in the subsequent "denouement phase." For this purpose, /"the only viable tactic, in accordance with objective conditions . . . and with the tasks incumbent upon the IU, is that which enables it . . . (to proceed to) coordinate and direct the various forms of struggle,"/ from the electoral struggle to armed struggle, one assumes, /"and the forms of organization developed in keeping with the times."/

"Our Tactics and the Elections"

Under this subtitle, the CDN has developed the strategic significance of the upcoming electoral process for the IU. They do not want to win the elections and be forced to take over the government. For them, a /"victory means that the left is the first majority in the first round,"/ and it will go on to the run-off, /"even if it loses,"/ to be able to /"become the historic representatives of socialism in our country."/

Then it goes on to stress the tactical nature of the IU's participation in the elections: /"During the present phase, this alternative takes a constitutional-electoral path, the general elections of 1985 being one of the most important battlegrounds in the overall build-up of forces."/ In other words, the IU's participation in the elections is just a "constitutional-electoral path" among many other possible paths toward the "build-up of necessary forces." Obviously, as soon as this "build-up" is attained, it will have no more use for the "constitutional-electoral path."

That seems to be the central message of the document: /"To achieve a successful electoral participation in 1985, in other words, for the left to make it to the run-off, is one of the central aspects of our tactics,"/ as is the /"strategic guarantee that we will be able to face the 'denouement' phase of the period and therefore the historic consolidation of the left as an . . . expression of popular power in gestation."/

Then the document goes on to propose the /"days of struggle"/ as one of the /"principal tactical axes"/, for which /"many forms of protest will be sought: work stoppages for several hours, mobilizations and regional stoppages; popular assemblies and open town meetings; sacrifice marches, street protests and rallies."/ And finally, the document expresses the /"need to prepare to respond in all areas, including revolutionary violence."/

This text was drafted by the members of the IU National Directive Committee, Jorge Hurtado of UNIR [expansion unknown]; Genaro Ledesma of the Student-Peasant-Worker Popular Front (FOCEP); Javier Diez Canseco of PUM [expansion unknown]; Jorge del Prado of the Peruvian Communist Party (PCP); Manuel Dammert of PCR [expansion unknown]; Enrique Bernales of the Revolutionary Socialist Party (PSR), and Henry Pease; with the cooperation of Edmundo Murrugarra (PUM) and Eduardo Figari (UNIR). Barrantes, although he is on leave as president of the IU, reportedly gave final approval of the document in order to "pacify" the leftist flock, the so-called "grassroots," who have been criticizing his leadership of the IU because he is "reformist" and "election-oriented."

8926

CSO: 3348/495

JAPAN TO INVEST IN SOUTHERN INDUSTRIAL DEVELOPMENT

Lima EL COMERCIO in Spanish 15 Jul 84 p A-14

[Text] The Japanese Government has delivered some valuable electro-mechanical equipment to the National Service for Industrial Work Training (SENATI) in order to support the industrial development of the southern departments of the country. The equipment is valued at 350 million sols.

The equipment was turned over at a ceremony in the city of Arequipa, where the industrial training institution has its second local headquarters. It is there that Japan has concentrated all of its technical assistance.

During the same ceremony, a new 5-year project was inaugurated with the same country. Its implementation will require an investment of more than \$9 million (approximately 30 billion sols), of which \$6 million will come from Japan.

The delivery of the equipment to carry out training in the fields of electricity and electronics was made by Japanese Ambassador Teruo Kosugi to Juan V. Cabrerizo, chairman of the SENATI National Council.

The donated equipment comes under the first joint project that has been underway in Arequipa since 1974 for the aforementioned areas, with technological contributions from many Japanese experts.

Recently the Japanese International Cooperation Agency (JICA) and SENATI signed one of the most important technical cooperation agreements ever, for a total of 30 billion sols.

The new project will reinforce the work being done in the fields of lathe mechanics, maintenance mechanics, metal construction, automotive mechanics, electricity and electronics.

The Japanese contribution includes the donation of machinery and equipment, the assignment of a large number of experts, and the granting of specialization scholarships in Japan for Peruvian professionals. SENATI will provide the facilities for the new workshops, and will cover operation expenses, including inputs.

BRIEFS

SENATOR CRITICIZES PETROPERU MANAGEMENT--The annual budget of the State Petroleum Agency (PETROPERU) is more than 6 trillion sols, more than allocations to all the ministries combined, even more than the national defense budget and allocations for weapons purchases. It is therefore absurd that this enterprise does not have enough resources to undertake effective exploration and development of new oil wells. This was stated yesterday by Leftist Senator Carlos Malpica, member of the bicameral committee that is investigating PETROPERU's economic and financial situation. He noted that this agency is in a state of chaos and administrative disorder. Malpica stated that he favors state-run enterprises, but he is not a defender of those that are in such a state of "disorder and chaos." He added that the payroll alone eats up 500 billion sols. He noted further that in Peru oil is as costly as it is in the United States; but a Peruvian earns 14 times less what the average American earns. [Text] [Lima EL COMERCIO in Spanish 14 Jul 84 p A-4] 8926

PETROPERU, JAPAN DISAGREE--As happened on an earlier occasion--6 years ago--the representatives of the State Petroleum Agency (PETROPERU) and of Japan Petroleum cannot agree on the price of crude oil to be used by the Peruvian state enterprise in paying off the loan extended to it in 1973 for the construction of the Norperuano Pipeline. Peruvian negotiators stated that the lowest price per barrel they would accept is \$26.50, while the Japanese remained firm at 1 dollar less per barrel. What will happen now? The same as before: PETROPERU will sell that crude on the international market--at a price that may even be higher than \$26.50--and will pay off its debt to Japan in dollars or yen. The Japanese loan to PETROPERU, which amounted to \$200 million, entailed a grace period of 4 years before payments had to begin, and a 10-year payment period. This means that PETROPERU will have the loan paid off in 1987. [Text] [Lima OIGA in Spanish 23 Jul 84 pp 12-13] 8926

ARMY, POLICE AUTHORITY OUTLINED--Just before press time, OIGA managed to obtain a copy of the secret supreme decree that was approved by the Council of Ministers on Friday. The decree gives the Armed Forces full powers in waging the battle against subversion, covering the following three points: 1) It declares that the Armed Forces shall assume territorial control over the Republic, subordinating civilian authorities. 2) It empowers the Armed Forces to take physical possession of the geographic areas and public and private facilities that are deemed to be critical areas, merely upon notifying the president of the republic. (One can draw the conclusion that the Armed Forces, through the Joint Command and the zone chiefs, may impose a curfew and

request the suspension of guarantees in any provinces where they feel this is necessary.) 3) The Joint Command is now in charge of the theater of operations, which has a potentially national scope, and the Police Forces thus become subordinate. (One can draw the conclusion also that all police programs--instruction, logistics [weapons] and planning--fall under the directives of the Joint Command of the Armed Forces. The immediate effect of this point would be to suspend the \$63 million weapons purchase that the Police Forces had undertaken, or in any case, it will have to be carried out in accordance with the general logistic plan of the Joint Command.) [Excerpt] [Lima OIGA in Spanish 23 Jul 84 p 8] 8926

ISRAEL TO PURCHASE TARWI--Israel will buy 25,000 tons of tarwi (a product similar to haricot beans) from Peru for the production of oil and insecticides, reported Minister of Agriculture and Food Juan Hurtado Miller yesterday. This will be the first time this native Peruvian product has been sold abroad since its cultivation was promoted and developed in the more depressed departments of the country, such as Apurimac, Huancavelica and Cuzco, among others. The Israeli ambassador to Peru first noted his country's interest in importing tarwi in a written communication. "This will be the first time a wholly Peruvian product such as tarwi is exported. The price per ton has not yet been set," stated Hurtado Miller. The minister of agriculture and food made these statements during a meeting he held yesterday with national and international experts at a seminar on Agrarian Policy at the Hotel Crillon. [Text] [Lima EL COMERCIO in Spanish 9 Jul 84 p A-1] 8926

CSO: 3348/495

BRIEFS

NEW OPPOSITION LEADER--BASSETTERRE, Wed., (Cana): CHARLES MILLS, one of two successful Labour Party candidates in last month's general elections, will be sworn in tomorrow as new Opposition Leader, when Parliament meets for the first time since the poll. Governor General Sir Clement Arrindell is also expected to deliver the Throne Speech. Mills, 63, is a former Minister of Communications and Works. He replaces Labour Leader Lee Moore, who lost his seat in the elections won by the coalition led by Prime Minister Dr. Kennedy Simmonds. Simmonds's People's Action Movement (PAM) and the Nevis Reformation Party (NRP) of Nevis Premier Simeon Daniel won nine of the 11 seats. PAM gained six and NRP three. The other Labour Party win was by veteran Joseph France, 76, who has been a Member of Parliament since adult suffrage in 1952. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 26 Jul 84 p 5]

CSO: 3298/1039

SURINAME

RICE BEING USED AS PAYMENT FOR IMPORTS

The Hague ANP NEWS BULLETIN in English 30 Jul 84 p 2

[Text] Paramaribo/The Hague, 30 Jul--Bankers in the former Dutch colony of Surinam met in the capital city Paramaribo on Friday to discuss the deepening economic crisis in the country, banking sources told ANP at the weekend.

Bankers believe the situation will deteriorate further after the government's rejection of policy conditions attached to an International Monetary Fund (IMF) loan, the sources said.

Surinam's economic problems have been aggravated by the suspension of Dutch development aid following the killing in December 1982 of 15 political opponents of the country's military regime.

A strike earlier this year in the vital bauxite industry, the country's main earner of foreign exchange, dealt another severe blow to the economy.

The sources said that because supplies of foreign exchange have been exhausted several recent import transactions have been paid for with rice.

The import of some 50 Russian Lada automobiles was recently paid for in this manner, the sources said.

CSO: 3200/40

SURINAME

BRIEFS

NEW AMBASSADOR TO BELGIUM--Mr Ronald Listeri Kensmil has taken the oath as ambassador before President Fred Ramdat Misier. This happened in the presence of, among other people, Harry Kensmil, director of NHE [expansion unknown], a brother of the new diplomat. The ambassador was assigned Brussels (Belgium) as his post. He was last a member of the advisory council for foreign relations of Foreign Affairs. On the photograph from left to right Mr F. Troon, assistant director of Internal Affairs, who read the oath formula; the president; Mr E. Amanh, director of Foreign Affairs; and Mr Kensmil. Ambassador Kensmil in 1975 successfully completed a special training for Suriname diplomats, after which, from 1976 to 1982, he was a member of the permanent mission of our country to the United Nations in New York, in the rank of second secretary. In this capacity, he represented Suriname at several international conferences. In January of 1981, his appointment as first secretary followed. Also in this capacity, he promoted the interests of Suriname at international conferences, such as in New Delhi (India), Havana (Cuba), and Managua (Nicaragua). Mr Kensmil was appointed in 1982 to be ambassador in general service, put at the disposal of the leader of the revolution. [Text] [Paramaribo DE WARE TIJD in Dutch 9 Jul 84 p 1] 12568

CSO: 3214/53

TAPIA HOUSE LEADER HITS GOVERNMENT FAILURES IN DEMOCRACY

Port-of-Spain EXPRESS in English 23 Jul 84 p 1

[Text]

THE people of Trinidad and Tobago are democratic and egalitarian and disposed to participatory self-government, and yet have failed so far to put into place a system of government and politics which reflects those values, according to Alan Harris, chairman of the Tapia Council of Representatives.

Harris, who presented an analysis of the country's political development since Independence in 1962, was addressing the St George East County Convention of the National Alliance yesterday at the St. Augustine Senior Comprehensive School at St Augustine.

Harris said he wished to advance the proposition that at the centre of the country's troubles lay its failure to fashion a political system equal to the demands of a sovereign democratic people.

He said he believed that the people of Trinidad and Tobago, by their deepest instincts, were democratic and egalitarian and disposed to participatory self-government. "And yet we have failed so far to put into place a system of government which reflects those values," he said.

He contended that the country's institutions did not work to the

people's satisfaction or were even remotely appropriate to the tasks in hand.

"If the institutions or agencies of the State are in disrepair, it is no wonder that the nation at large is in paralysis," he said.

The Tapia leader said that the men and women who today control the State disposed of a huge economic empire, but had no plan of action for putting those resources to the best advantage of the people of Trinidad and Tobago.

"We have allowed the State to gobble up a major portion of our economy, to become dominant in the fields of education and culture and information, but it has become so grossly fat and overweight as to be incapable of any movement," he added.

"I would like to suggest that it is a problem we have created, or allowed to develop, but our real dilemma is that we have been unable to discover the means of doing anything about it," he said.

"What we have failed to do, or to do adequately, is to come to terms with the issue of State power," he added. "As a result, we, the people, lack the means of controlling and taming that power, and of using it for our advantage."

In default, that power had fallen

into the hands of a clique who had employed it to their own advantage and that of their allies, Harris contended.

"We have ended up with oligarchy, or government by the few, because we were caught unawares by the issue of State power, victims of our inexperience and naivete," he said.

But he said that the situation was by no means unique among formerly colonial peoples.

Harris said that the general idea in the colonial set-up was that the people were spoken to, but did not speak.

"Without even the notion that the people possessed a legitimate voice, it is not surprising that little, if any, thought was given to the creation of institutions through which their interests and aspirations might be articulated," he added.

He said that when in 1955, the late Prime Minister Eric Williams broached the idea of an organised political party, he offered to the people of Trinidad and Tobago an alternative not only to the pervasive individualism of colonial politics, but also to the patent futility of protest.

"In terms of the prevailing colonial assumptions, the idea of

the People's National Movement (PNM) was nothing short of revolutionary," he added. "For contrary to the colonial idea, it assumed, not only that the people's interests needed to be voiced, but more importantly that the voice of the people should be paramount.

"It is remarkable how the PNM has ended up espousing, either by word or deed, positions completely alien to its original ideas," he said.

Harris said the PNM had failed to create a vibrant political movement at the grassroots of the party and had done little, if anything, to transform the colonial political structure of passivity interspersed with occasional protest, of personalism and parochialism.

"But perhaps the greatest failure of the party has been its inability to create a genuinely national movement."

He said the PNM won a narrow base of support in the 1956 elections.

"It did not prevail in the north-eastern counties nor in the south-west peninsula," he added. "It did not carry Tobago. It did not have the support of the so-called French creoles. And it was completely locked out of consideration in those parts of the country dominated by Indo-Trinidadians."

MINISTER DEFENDS PNM, PREDICTS EXPANDED PARLIAMENT

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jul 84 p 3

[Text]

A SENIOR Government Minister has hinted at the possibility of increased seats in the next General Elections constitutionally due in 1986.

But in alluding to this, Agriculture Minister Kamaluddin Mohammed also reminded the audience at the annual conference of the ruling People's National Movement (PNM) Laventille constituency that Prime Minister George Chambers was free to call an election any time he wished.

In a wide-ranging address, Minister Mohammed, one of the three Deputy Political Leaders of the PNM, severely criticised the Opposition parties for the "vicious, malicious and mauvais langue" manner in which they conducted their politics.

Stoutly defending Government from criticisms, particularly in the area of State-owned enterprises such as ISCOIT, Mr. Mohammed also boasted that so long as there were women in the country the PNM would never lose an election.

"Don't worry with the men... they must follow the women..." (laughter).

Like the parliamentary representative of the area, Mr. Desmond Cartey, Minister of Industry and Commerce, Minister Mohammed warned the crowd at the Morvant Community Centre Thursday night that there was a certain amount of complacency in the PNM and that must stop.

They must go out and try to re-

vive some of the old glorious days of the party like the period of the 50's and 60's, he said.

Mr. Mohammed told the function, which was chaired by Works Minister Hugh Francis and which was addressed by Cabinet colleagues, Mr. John Donaldson (National Security) and Senator Russell Martineau (Attorney General and Minister of Legal Affairs):

'UTTER DISHONESTY'

"I anticipate that we might have more seats in the next General Elections because, as you know, the population is increasing and has increased since the last elections."

Echoing another statement made by Minister Cartey, Mr. Mohammed said that people should not look solely at DEWD for employment opportunities and pointed to the peanut vender who made at least \$100 a day after expenses.

Backyard gardening was also another form of generating income, he said.

Critical of verbal "malicious" attacks on Government by the Opposition Mr. Mohammed said: "They making it appear that there

is a bowl of money and all the ministers dip their hands, take out a little change here a little change there... what utter dishonesty.

"That is partly what I mean about the politics of hate and envy being waged by the enemies of the PNM.

Their only aim, he argued, was to seek the destruction of the PNM, not the development of Trinidad and Tobago.

The late Prime Minister Dr. Eric Williams, Mr. Mohammed said, saw ISCOIT as a measure to relieve economic hardships when the oil revenue decreased, and he added:

"And you know something? The day has come, we have problems with oil now. Not only are we producing much less oil than in the days when Point Lisas was being talked about, but the price of oil has dropped; and the world consumption of oil has gone down.

"So Point Lisas was envisaged by the late Prime Minister as an area where we would have industries that would generate revenue which would compensate for the day when we have problems with oil."

Mr. Mohammed emphasised that there would be serious disruptions if the PNM was not in power.

JNT-GOVERNMENT TALKS STALLED; TEAM EYES POSSIBLE SHOWDOWN

Port-of-Spain TRINIDAD GUARDIAN in English 2 Aug 84 p 1

[Article by Kit Roxburgh]

[Text] NEXT week Friday looms alarmingly as a showdown between the country's 60,000 public servants and the Government.

Public Services Association (PSA) President, Dr Kenrick Rennie said yesterday that the joint Negotiating Team (JNT), which represents about half a dozen associations and unions in Government employ, had taken enough snubbings during the present wage negotiations and, by August 10, unless their requests are not taken seriously, the JNT will "take the issues of their members and let them decide what steps to take."

Meanwhile, talks between the joint [work indistinct] and Government representatives have been "adjourned."

Dr Rennie said that Developmental, Environmental and Works Division (DEWD) employees had been successful in their protests in the streets of the city against lowering of their work programme from ten days to seven, which the Government sought.

"Public servants will decide what has to be done," he stressed.

The JNT's major spokesman asked yesterday:

"We have been told to make sacrifices. The Government's Chief Personnel Officer, Mr Hilton Cupid, has said that six per cent over three years is the only offer that Government can make in these times of sacrifice nationally. But what, really, are the sacrifices that the private sector and the Government prepared to make?

GUIDELINE WANTED

"We have asked Mr Cupid about this and he has not given any answer. All we want is some sort of guideline about the country's austerity programme. Must the workers alone be the ones to carry the burden?"

But what has touched off the issue to blazing point, according to Dr Rennie yesterday, is the Government's refusal to see the matter of

public servants' wages as an important issue — vital enough to be taken up by Cabinet at this stage.

Mr Cupid, according to Dr Rennie yesterday, has either been not willing or able to let the JNT talk to Cabinet.

And this has led the public servants to believe, in view of the low six per cent offer, that the Government's team is negotiating in bad faith and that by the end of the next week, other measures will have to be taken, unless the Government adopts a different attitude.

Talks have been "adjourned" over the issue of new wages and working conditions, a release from the JNT said yesterday.

Signed by representatives of five unions and associations, including the Public Services Association, the Trinidad and Tobago Unified Teachers' Association, and the Fire Services Association, (Second Division), the release said that the "adjournment" was sought by the JNT in order for them to approach Cabinet.

BAD FAITH

The release states:

"After six meetings between the Chief Personnel Officer and the Joint Negotiating Team comprising of: Public Services Association, Trinidad and Tobago Police Association (Second Division), Trinidad and Tobago Fire Services Association (Second Division), Trinidad and Tobago Prison Service (First Schedule), Trinidad and Tobago Unified Teachers' Association and Trinidad and Tobago Postmen's Union, the Joint Negotiating Team is accusing the Chief Personnel Officer of negotiating in bad faith.

"The Joint Negotiating Team had raised several questions fundamental to the negotiations, and the Chief Personnel Officer, to date, has not responded to the questions, indicating that the issues are not within the parameters of his office. Ironically, these were the same issues the Chief Personnel Officer made reference to in his opening statement.

"The Joint Negotiating Team had indicated that given the financial and economic situation of the country, we are quite prepared to make some measure of sacrifice, but in order to determine the extent of sacrifice, we want to know from the Chief Personnel Officer what extent of sacrifice the persons who control private and state capital in the

economy, are prepared to make.

"The Chief Personnel Officer was unwilling to define what the 6 per cent offered over three years means to public officers in terms of the sacrifice expected. He indicated in order to deal with the extent of sacrifice to be borne by the owners and controllers of capital, entails discussion on Government's fiscal policy, which he claims is outside of his terms of reference, but suggested that we see the Government as Government, and not as employer.

EARLY MEETING

"The Joint Negotiating Team requested of the Chief Personnel Officer as employer, to use his good office to initiate dialogue with the Cabinet on the issues which he claims are outside his terms of reference, and he refused and advised that the Joint Negotiating Team make its own approach.

"As a consequence, the Joint Negotiating Team sought an adjournment of today's meeting, in order to approach Cabinet.

"The Joint Negotiating Team views this refusal by the Chief Personnel Officer as a demonstration that the Government's Negotiating Team is negotiating in bad faith.

"The Joint Negotiating Team anticipates an early meeting with the Cabinet, so as to ensure a quick return to the negotiating table for resumption of talks."

CSO: 3298/1048

DEWD WORKERS, MINISTRY FORM TEAM TO EVALUATE PROGRAM

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jul 84 p 1

[Article by Suzanne Morris]

[Excerpts]

A POTENTIALLY explosive labour situation involving hundreds of angry DEWD workers was defused yesterday when Minister of Labour, Social Security and Co-operatives, Mr. Errol Mahabir, announced that there was to be no reduction in working days per fortnight at the Division.

Shortly before the Minister's announcement, a spokesman for the workers had hinted at "drastic action" if their request for retention of the "ten days" system was not granted.

Mr. Mahabir made the announcement after holding a meeting with officials of the National Union of Government and Federated Workers (NUGFW), led by Mr. Nathaniel Crichlow, President and Minister of Works, Maintenance and Drainage, Mr. Hugh Francis, at Riverside Plaza, Port-of-Spain.

Protesting workers converged on the offices of the Works Minister by the hundreds just before 11 a.m. yesterday, wielding placards and shouting slogans.

Policemen had to be summoned to the scene. Scores of them armed with batons, and two officers on horses stood by to keep the angry, shouting crowds under control. However, there were no reports of violence.

According to a spokesman, the workers were at the Minister's office to hear his decision on the planned reduction of their working days per fortnight from ten to seven. They had formed a delegation to meet with Mr. Francis on the issue.

In anticipation of a similar situation outside the Red House, barricades were erected hours before the regular Friday afternoon sitting of the House of Representatives was due to start. But these precautions proved unnecessary. Jubilant workers called off a planned protest at that venue after hearing the Minister's announcement.

Instead, they staged a Carnival-style jump-up through the streets of Port-of-Spain and then made their way home.

MINISTRY'S STATEMENT

A statement from the Ministry of Labour said last night that at yesterday's meeting the union raised the question of the preservation of employment opportunities offered through DEWD and referred to reports which suggested that the programme agreed upon between the union and the Ministry of Works earlier this year may be curtailed.

The Minister of Works, Maintenance and Drainage explained that his Ministry was in fact involved in an in-house exercise dealing with the various options for improving efficiency levels and maintaining expenditure patterns in DEWD within the Budgetary allocation for 1984, after which consultation would have been held with the union.

He confirmed that no authorisation was given either by him or the Permanent Secretary for the issuance of any circular for the reduction of the work fortnight.

The parties agreed that there was need to keep the programme within its budgetary allocation and that all steps should be taken to remove the factors which militate against this.

The Minister of Labour therefore proposed to the parties, and it was agreed, that a joint team comprising officials from the Ministry of Works, Maintenance and Drainage and the union be established to look into all the negative aspects which impeded the efficient functioning of the DEWD Programme.

The team which comprises five officers from either side has been requested to report as is seen necessary to the Minister of Works, Maintenance and Drainage and to submit an interim report within one month.

CSO: 3298/1048

PRODUCTIVITY COUNCIL CALLS FOR COORDINATION ON IMPORTS

Port-of-Spain TRINIDAD GUARDIAN in English 2 Aug 84 p 1

[Text] THE NATIONAL Productivity Council has suggested that the Central Bank and the Ministry of Industry, Commerce and Consumer Affairs should inform each other of which items they had under restriction or banned.

THE NPC made the suggestion in the light of instances in which foreign exchange approvals had been obtained from the Central Bank for the importation of items for which the Ministry was not prepared to grant [word indistinct] licences, and vice versa.

The Council made the recommendation in its Fifth Report for the period January to May 1984. The report was presented to the Prime Minister some three weeks ago and was handed to the Press at a Press conference yesterday afternoon at its offices in Salvatori Building.

A report on the Ministry of Industry, Commerce and Consumer Affairs was among five areas on which the NPC concentrated its attentions during the period.

The Council said it was "deeply concerned" with the procedures involved in the granting of licences and foreign exchange approvals and, in fact, the general processes of the importation of goods and services, and the effects of this on productivity.

With this in mind the Council held a number of meetings with the Ministry, the Comptroller and Customs, and is to meet with the Customs Brokers Association. But, the Council noted, it had received no word from the Central Bank as to when a meeting could be arranged.

The Council recalled past recommendations for stronger communication between the Central Bank and the Ministry, and noted that while there had been some improvement, a lot more was desired.

Pointing to the need for communication and the instances of crossed-lines the Council also indicated instances in which the value of the foreign exchange approved by the Central Bank was very much in excess of the value of quantum goods for which the Ministry was prepared to grant licences.

WASTE OF TIME

The Council reported: "Such occurrences result in a waste of time, effort and money on the part of importers and may also lead to black marketing of foreign exchange approvals, with all its implications for inflation and low productivity.

"The National Productivity Council therefore reiterates its call, in the strongest possible terms, for the immediate institution of adequate communication links between the Central Bank and the Ministry of Industry, Commerce and Consumer Affairs, which would prevent the re-occurrence of the situation described above."

The NPC suggested that, in this respect, the speedy completion and publication of the Revised Negative List would be "most useful and necessary."

It also referred to the need for full services to be offered to San Fernando and Tobago by the Ministry, pointing out that the Ministry had agreed to this, as carried in its fourth report. While the Ministry had taken some steps to improve the service in San Fernando, there was still more needed to be done, the NPC said.

CSO: 3298/1048

GOVERNMENT NEEDS TO BORROW \$478 MILLION IN 1984

Port-of-Spain EXPRESS in English 19 Jul 84 p 27

[Text]

TAKING account of repayments falling due in 1984 on existing Central Government borrowings —\$87 million (U.S.) —the gross borrowing requirement will amount to \$478 million (U.S.) in 1984, according to an information memorandum put out by the Ministry of Finance and Planning.

Of this amount, it is planned to raise \$135 million (U.S.) domestically and the balance externally, said the document.

The memorandum also noted that the net borrowing requirement of public sector corporation amounted to \$135 million (U.S.) which when added to the repayment of existing obligations, \$228 million (U.S.), gave a gross borrowing requirement of \$363 million (U.S.) of which \$146 million (U.S.) would be raised domestically, and the balance externally.

"Therefore, the total amount to be raised domestically is \$281 million (U.S.) and \$560 million (U.S.) externally," said the document.

In giving a breakdown of the actual financing of the capital expenditure programme for last year, and the proposed arrangement for this year, the memorandum quoting the finance ministry said the current surplus in 1983 was \$99.1 million and the projection for 1984 is \$468.3 million.

The long term development fund drawdown was \$1,173.8 million and will be \$720.1 million this year; likewise the unemployment levy accounted for \$14.0 million in 1983 and is estimated to be \$33.7 million in 1984.

The consolidated fund contributed \$1,114.7 million last year and will contribute \$418.8 million this year while net borrowing consisted of \$450.4 million in 1983 which would increase to \$939.4 million in 1984.

According to the document, the planned gross borrowing requirements for fiscal year 1983 amounted to \$1,319.3 million. Of this amount, approximately one quarter, \$319.3 million, was to be raised by borrowing on the domestic market and the remaining \$1,000 million through external borrowing. "The borrowing requirements, however, were not satisfied in 1983," said the document.

"Of the gross borrowing requirements, only \$778.4 million or 59 per cent were drawn down as at December 30, 1983."

The memorandum noted that in the domestic market, actual drawdowns covered 92 per cent of budgeted borrowing requirements. Funds were raised in the domestic market through four new issues of treasury bills for a total amount of \$150 million; a public bond offering of \$75 million; a private bond placement with three banks for \$28 million and through the tap issue of national tax free bonds which realised \$50.8 million.

In 1983, Trinidad and Tobago also entered the Eurodollar bond market through a placement of \$50 million (U.S.) floating rate notes in June at an effective interest rate margin of 90 basis points above LIBOR. In early December a \$120 million (U.S.) Eurodollar was signed.

In January 1984, the state obtained a new opening in the Japanese yen market. A mandate to lead an issue in that market was awarded to the Bank of Tokyo and a loan of 6.5 billion yen (\$65 million approximately) was executed in New York on January 19, 1984. In addition to this amount it is expected that further amounts will be sourced in that market during 1984, said the information memorandum.

CSO: 3298/1049

TREASURY OFFERS EXPLANATION FOR \$600 MILLION DISCREPANCY

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jul 84 p 1

[Text] A NEAR \$600 million difference in the Exchequer Accounts on the books of the Treasury (\$288.3 million) and the certification of the Central Bank (\$874 million) "has been identified and accounted for."

This was explained in a statement of clarification from the Treasury Division presented in the House of Representatives yesterday by Senator Anthony Jacelon, Minister in the Ministry of Finance.

Senator Jacelon stated that from the details of the Treasury statement "every difference has been identified and accounted for, and consequently, there is no question of either looking for \$600 million or of there being any discrepancy."

The Minister was responding to a report in the "Guardian" last week Saturday under the headline: Treasury Looks For \$600 Million."

The article was based on the Report of the Auditor General on the accounts of Trinidad and Tobago for 1983.

Positive Action

The report in dealing with the Exchequer Account stated: "The Central Bank has certified that the balance standing to the credit of the Exchequer Account at December 31, 1983 was \$874,037,498.89. The books of the Treasury showed this balance as \$288,363,846.86.

"The statement showing the reconciliation of the two balances contains amounts which have not been verified with the books of the Treasury. The statement shows balances of unpaid cheques dating back to the year 1961 which have remained uncleared. It is recommended that positive action be taken to have the respective amounts cleared."

Outlining the explanations of the Treasury, Senator Jacelon stated that interpretation in the story was unjustified in that:

--The prescribed accounting system requires the Exchequer Account in the books of the Treasury to be reduced by the value of the cheques issued.

--There is no corresponding reduction in the Exchequer Bank Account in the Central Bank and the reduction "takes place when issued cheques are paid by the Central Bank. The effect is that the Exchequer Account in the books of the Treasury will always be less than the account in the Central Bank."

The Treasury explanation read by the Minister in Parliament also took issue with the recommendation by the Auditor General on unpaid cheques that "positive action be taken to have the respective amount cleared."

It stated there "is no question of positive or any other kind of action to clear those balances (\$355.8 million) in the books of the Treasury, because the fact of the existence of those balances is an integral part of the system...and demonstrates that the receipt of cheque, subject to revalidating of an unpaid cheque, can rely on the honouring of that cheque upon its presentation to the Central Bank."

CSO: 3298/1049

DEWD, 'POLITICAL MONSTER,' HIT BY PRESS, TAPIA HOUSE

GUARDIAN Criticism

Port-of-Spain SUNDAY GUARDIAN in English 29 Jul 84 p 6

[Text] IF anyone was in any doubt about the political monster that has been created by the Government under the name of DEWD (Development and Environmental Works Division) the events of last week must surely put that doubt to rest.

On Tuesday it was reported that the day before many groups of workers had gathered at Sea Lots, the DEWD head office, to discuss information reaching them from an executive that their work-days would be cut immediately from ten to seven days per fortnight.

On Wednesday, it was reported that Mr. Hugh Francis, the Minister of Works, had confirmed this, stating that the details had not been finalised but that the decision has been made "so that we can live within our \$150 million allocation," and that the cuts would be applied "across the board."

On Wednesday hundreds of workers flocked to Whitehall where they demonstrated.

Then on Friday about 1,000 workers assembled opposite the Ministry of Works on Edward Street and later near the Riverside Plaza office of the Minister of Labour.

The plan also included assembling near the Red House, the seat of Parliament, which was scheduled to hold its weekly meeting that afternoon. But that apparently did not take place. Instead a group of workers representing their colleagues under the name of DEWD Workers Committee and a group of officials of the National Union of Government and Federated Worekrs met Mr. Francis, at the Plaza.

At that point Mr. Francis appeared to back down because he explained that the seven-day idea was only one of the options being considered to keep DEWD within its budget and also to step up efficiency. He blamed a news leak, saying that it was probably a circular issued by a supervisor whose "intent was not malicious but was the result of enthusiasm in implementing a decision before it was crystallised."

He then announced that mysterious increases in the fortnightly payrolls had occurred, the total going from the normal \$3 million a fortnight to \$4 million then to \$11 million and finally to \$12 million, "phenomenal" increases occurring because there were unauthorised increases in the number of gangs and the size of gangs. The funds would be exhausted by October, he ended.

Beyond Control

Mr. Francis is evidently trying to make it appear that someone prematurely sent out a circular. What does Mr. Francis take us for?

Mr. Francis knows that the DEWD scenario is beyond his control. Worse, the workers know this too, and it is not accidental that he has had to defend their unproductivity publicly and often. His public utterances about race and his anti-business bias so absurdly articulated in his recent "Dracula" statement have placed him in a position where it now appears that he has become the puppet on the DEWD string, who must jump to the tune played by the mob anytime he attempts to change the song.

He was unable even to face the protesting DEWD workers on Wednesday and apparently had to rush up to Riverside Plaza on Friday to seek the support and advice of Mr. Errol Mahabir, the Minister of Labour, who fortunately for him, possesses more balance and skill in these matters than Mr. Francis and was able to defuse the unruly situation.

We have said it before and we do so again: the concept of providing work for the unskilled is a good one. Considerable worthwhile progress could have been achieved if the programme had been handled in an honourable way right from the start. But, we believe, that it was conceived more from a partisan political need than out of genuine concern for people's wants. Hence it was allowed to become a totally unproductive programme, carried out in corruption and without any sense of direction.

So today millions of dollars have been spent, squandered, and "workers" have become conditioned to earning good money in return for doing next to nothing.

The poisonous idea has infiltrated the rest of the society and down the drain has gone the work ethic. And the chickens have come home to roost. The custom of collecting money for little or nothing is not a "right" that people will easily surrender. Hence the anger of DEWD workers at even the rumour of an attempt to cut back their workday.

When the money is exhausted what will the Government and Mr. Francis do?

Tapia Call for Revision

Port-of-Spain TRINIDAD GUARDIAN in English 1 Aug 84 p 16

[Text] DEWD is not sustainable in its present form and needs to be transformed to create avenues of productive activity as the only guarantee of permanent employment for the many families dependent on it.

This is the view of the Tapia House Movement on last week's demonstrations by DEWD employees who are protesting a planned reduction in their work days--from ten to seven a fortnight.

Tapia's stand was outlined by the party's secretary at Sunday's Caroni regional Convention of the National Alliance. He said the worker's action brought to the fore yet another aspect of the national tragedy which the ruling regime had been orchestrating for the last twenty-plus-years.

Mr. Anthony Harris, added: "That the people (DEWD workers) who form the political heartland of the PNM should now be reduced to fighting over ten-days or seven days can only be described as a tragedy of national proportion.

"The latest crisis in DEWD is the result of 25 years of economic mismanagement, financial bungling and cynical political manoeuvring.

Evolving

"DEWD has its origins in the 1960s as a crash programme evolving into Special Works and finally what it became today--a perpetual ten days crash programme.

"For reasons of narrow political advantage the regime has written off a large sector of the population from permanent and productive employment by tying them to DEWD."

Mr. Harris said that lacking the moral authority to govern justly, the Cabinet treated the protest as a family quarrel and moreover had been dishonest with the workers.

"In particular they have denied responsibility for the circular which reduced the ten days to seven days in the first place, and they have also refused to address the issue of finding money to sustain the programme for the rest of 1984 and beyond.

"The programme has become notorious as a hot bed of corruption. It has often been attacked for low productivity and a source of patronage. When ever there is confusion, no agency of Government seems able to intervene in its affairs.

"This is the end result of selling jobs for narrow political loyalty. The capitulation by Cabinet within three days of protest has dealt a severe blow to Mr. Chambers's policy of national wage restraint and belt tightening.

"The regime has now lost all moral authority to insist on belt tightening from public servants or anyone else and this will have the result of placing the Chief Personnel Officer in a most precarious position.

"The ten days" programme stands in defiance of recent claims by the Chambers Administration that structural adjustment of the economy has and is taking place."

Charging that it was clear that DEWD was not sustainable, Mr. Harris claimed that lacking vision and unable to provide genuine leadership, the Chambers

Cabinet seemed content to chain the Afro-heartland of its political constituency to a perpetual ten days mentality.

"The people now trapped by this web of short-sighted colonial economic policy, need to recognise that their destiny need no longer be tied to PNM. One option available to the whole country is to join together to build a genuine national party which will be able to deliver political security, begin the process of economic transformation and ensure a just deal for all."

CSO: 3298/1044

OPPOSITION ALLIANCE, ONR FORM UMBRELLA GROUP--NAR

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 84 p 1

[Article by Clevon Raphael]

[Text] ANOTHER positive move towards the unification of opposition political parties in the country was made last weekend when leaders of the National Alliance (United Labour Front, Democratic Action Congress and Tapia) and the Organisation for National Reconstruction agreed on the formation of an umbrella group--the National Alliance for Reconstruction (NAR).

NAR, according to Dr. Beau Tewarie, Chairman of Tapia, and Mr. Lennox Raphael, Public Relations Officer of the ONR, would strengthen the relationships between the four parties and maintain the gains made by the Accommodation (an electoral pact between the parties which defeated the ruling People's National Movement in last year's Local Government elections).

Common Policy

The national executive of each member party would comprise a Standing Committee for Closer Union (SCCU) which has the following as its terms of reference.

- Formulation of a platform for democracy;
- Formulation of a common policy and programme; and,
- Preparation of a draft constitution for the National Alliance for Reconstruction.

Mr. Raphael added that those attending the meeting on Saturday at which the accord was reached were Mr. Basdeo Panday, Leader of the Opposition; Mr. A. N. R. Robinson, Chairman of the Democratic Action Congress and of the Tobago House of Assembly; Mr. Karl Hudson-Phillips, Political Leader of the ONR, and Dr. Tewarie.

It was recommended to the SCCU that the draft constitution should make provisions for regional executive committees.

The leaders also agreed to proceed with dispatch in ensuring an early meeting of the national executives of the four parties under the aegis of the SCCU.

Dr. Tewarie announced the development at the sixth county convention of the Alliance at St. Helena, Piarco, on Sunday.

He also disclosed that NAR was open to all democratic grounds and parties interested in forming national unity in the country.

Commenting on the discussions between the Alliance and the ONR, Dr. Tewarie, a University of the West Indies lecturer, said many gains were chalked up over the last two months.

Saying that the Alliance had taken the initiative to stir up political discussion and debate, he added the ONR responded by showing good faith and commitment to the concept of national unity.

CSO: 3298/1044

DEBT RENEGOTIATION PLANS FOR \$22 BILLION ANNOUNCED

Caracas EL UNIVERSAL in Spanish 13 Jul 84 p 2-1

[Text] The foreign debt negotiator, Carlos Guillermo Rangel, reported to the president of the republic and top AD [Democratic Action] leaders yesterday that the amount to be refinanced totals \$22 billion. This is 58.6 percent of the total foreign commitments of the country--\$37.5 billion.

The meeting held in La Casona was attended by: President Jaime Lusinchi, Dr Gonzalo Barrios, Dr Carlos Andres Perez, Dr Manuel Penalver, Dr Humberto Celli, Dr Antonio Rios, Dr Celestino Armas and Dr Jose Angel Ciliberto--all from the AD--Minister Hector Hurtado, Minister Manuel Azpurua, Minister Luis Raul Matos Azocar and the negotiating committee: chairman Carlos Guillermo Rangel, Ruth de Krivoy, Mauricio Garcia Araujo, Pedro Palma, Antonio Alamo and Jorge Marcano.

After an initial explanation by the minister of finance, Dr Rangel reported that they will only request the refinancing of \$22 billion of Venezuela's total foreign debt, \$37.5 billion. He explained that the rest are short-term loans and special loans that are already being paid--for example, the loans granted by the aluminum industry.

Rangel confirmed that Venezuela has good possibilities for refinancing before the end of the year. He presented graphic displays of the different interest payments and debt amortizations.

The negotiators felt that the proposal for long-term refinancing of between 12 and 15 years was viable.

It was stated that the creditor banks have a receptive and favorable attitude, basically due to the IMF evaluations of the Venezuelan program of adjustments.

As is known, the report presented by the IMF technical mission that recently visited Caracas indicated that the adjustments made by the Executive Branch are in the right direction and merit credibility. The bank representatives have favorable expectations that Venezuela will meet its commitments.

President Lusinchi praised the work done by Dr Rangel and the negotiating committee, pointing out that they were working in a "Venezuelanist" way. The AD leadership also supported the statements made by the committee.

It was also learned that statements by the union bureau were not discussed at that meeting since that subject will be discussed next Saturday at La Guzmania.

The AD union bureau refused to present a written document to President Lusinchi in favor of making an "oral" presentation.

However, it was learned that the so-called "heart" of the AD considers the union bureau's position unacceptable since it would be like recognizing the existence of one party within another.

7717

CSO: 3348/511

CARLOS ANDRES PEREZ DISCUSSES FOREIGN DEBT, OTHER ISSUES

Caracas EL NACIONAL in Spanish 16 Jul 84 p C-1

[Interview with Carlos Andres Perez, former president and AD leader, by Alfredo Pena: "Andean Pact Must Be Amended to Attract Foreign Investment"; date and place not given]

[Text] Reward and punishment will mark the banks' strategy in the ticklish matter of the Third World's foreign debt. The banks will be /generous/ [in boldface] and understanding with the countries that respect the demands of the IMF. They will use an iron hand with /recalcitrant/ [in boldface] governments that resist the IMF impositions. The London summit--before the Philadelphia meeting--stipulated the terms that will prevail in this process: We will negotiate separately. We will emphasize the readjustment programs. The IMF has played a very important role. Foreign investment which is very convenient when contracted under conditions that guarantee benefits for both parties will weigh heavily at the negotiating table. Therefore, the Andean Pact countries are quickly preparing to amend Decision 24. The political leaders who criticized foreign investment so much before now discover great benefits in it. It is necessary to move carefully and with moderation. The state must decide in what areas and under what conditions we will accept and encourage foreign investment. Today the Forum is with Carlos Andres Perez, former president of the republic and Democratic Action leader.

[Question] The problem of the Latin American debt is still unsolved. The interests of the creditor banks continue to increase. How should this situation be handled?

[Answer] The efforts made at the Quito and Cartagena conferences have helped stimulate solidarity among all the countries on the continent. The increase in interests caused by the U.S. budget deficit--some \$200 billion--has been a concern of Latin America and the world. If this situation continues, it will seriously hurt the world economy. This could trigger an international financial catastrophe. However, there has been progress because of the movement of solidarity that has arisen in Latin America.

[Question] Could you cite the concrete, tangible progress of that "movement of continental solidarity"?

[Answer] The most tangible progress is that, for the first time in history, our countries agree about certain conditions they must demand individually for debt renegotiation. The Latin American debtors agree about presenting proposals stating that they cannot commit more than a certain percentage of their export revenue for debt service.

[Question] How much?

[Answer] That depends on each country. For example, apparently Venezuela has set the annual debt service at about 25 percent of the product of its imports. With variable interests, it is impossible for any Latin American country to meet its foreign obligations. The Latin American struggle must be aimed at achieving a ceiling or fixed interest rates for payment of the debt. This is very important because, otherwise, they will be prevented from meeting the commitments acquired during the refinancing negotiations.

[Question] The magazine NUEVA FRONTERA--whose director is former Colombian president Carlos Lleras--said that there was a meeting of creditors and IMF and Federal Reserve representatives in the United States recently. They approved a strategy to divide the debtors through reward and punishment.

[Answer] I have not read the magazine but I greatly esteem former president Carlos Lleras as a politician, statesman and writer. I imagine that whatever his magazine states is well founded. There have been smears about our countries, accusing us of forming a debtors club like a club of rogues and cheats. This has never been the idea of the Latin American nations. What does exist--and exist openly--is a creditors club. It exists at the annual meetings of the chiefs of state of the developed countries and the meetings of the IMF, the executive council of that creditors club. We Third World countries have been constantly subjected to that economic totalitarianism in financial matters exercised through the IMF. All the governments of the developed world--whether socialist, liberal or conservative--participate in that strategy.

[Question] How can our countries confront the "divide and conquer" strategy designed by the creditors?

[Answer] We have no interest nor is it appropriate for us to accept any challenge like this from the industrialized countries. It is necessary to remember that they have united in the determination to impose certain conditions on us. The response must be Latin American solidarity. I don't believe there is any possibility that they can divide us.

[Question] Latin American unity has always been a goal of our liberators but this unity has never been possible. Recently former Colombian foreign minister Vazquez Carrizosa said: "The desire of each country to be considered individually by the creditor banks lay behind the Cartagena Agreement."

[Answer] Latin American unity, as you point out, has been the great aspiration of our peoples and all our liberators. We have been making progress. A new

Latin American awareness has been created as a result of the disastrous Falkland Islands War. A very short time ago, it was useless to think of Argentine or Brazilian solidarity. Today we see feelers for solidarity and understanding coming out of those countries. After the Falkland Islands War, Argentina turned from Europe back to Latin America.

[Question] Don't you think this policy of rewarding the one who behaves well and punishing the one who behaves badly has affected Latin American solidarity?

[Answer] They will try to affect it with that system. However, facts are very stubborn. No country can force social conditions through the stimulus or enticement of a reward. There would be a catastrophe in Latin America--where social security systems do not exist--if we devoted ourselves to paying debts and stopped taking care of the social problems and economic development of our countries.

Foreign Investment

[Question] The immense foreign debt has led the Latin American debtors to view foreign investment as the alternative to overcome the crisis.

[Answer] The international financial system is in crisis. We again stress the need for a new economic order. The debt service jeopardizes the balance of payments in our countries. It is necessary to procure foreign currency by other means. Foreign investment is one way. This forces us to consider amendment of Decision 24--since we are Andean Pact countries--in order to expand and stimulate outside capital for our countries.

[Question] It would be necessary to stipulate the repatriation of profits very clearly. We need foreign currency....

[Answer] The Andean Pact determines the amount of profits that can be repatriated by foreign investors. This is a concept we cannot renounce. However, we can expand the repatriation margin. Current needs cannot lead us to the fatal error of diminishing the importance of control over foreign investments in the Andean Pact. This is basic for the future of our peoples.

[Question] How can we effectively and concretely guarantee the transfer of technology?

[Answer] That is one of the conditions the Andean Pact establishes for foreign investments. It guarantees that when investments leave tomorrow, the technology will be left behind for us.

[Question] Will the investor bring capital and foreign currency or will he resort to domestic credit as has happened in the past?

[Answer] This is another very important aspect of Decision 24 and the policy that each country must adopt. It would be very serious if the multinational enterprises came to our countries to earn profits with national capital. That is not acceptable.

[Question] International capital does not settle in countries with controlled economies. Investors demand a market economy where there are no controls. They gave Chile this condition when that country left the Andean Pact. How can that demand be compatible with the government's need to maintain price controls and other controls?

[Answer] That is the great debate in what has been called the North-South conflict. The large industrialized countries will not renounce the privileges they have maintained, their exploitation of our natural resources and the labor of the Third World. We must make progress on the road to economic independence.

[Question] The truth is that the multinational enterprises--that have operated and continue operating in several areas of the economy--have complained about price freezes here.

[Answer] If there are no stimuli for capital, there is no investment. There is a balance that must be achieved based on economic reality. However, we must be careful that we do not lose control. It is necessary to give assurances to foreign capital that its investment will be profitable and that it can repatriate part of its profits. It is also necessary to give it assurances as to the value of the foreign currency.

Oil

[Question] Foreign investment is looking at Venezuelan oil. What policy will the government follow in this?

[Answer] Article 5 of the oil nationalization law makes the participation of foreign capital in the Venezuelan oil industry possible.

[Question] What type of participation would that be?

[Answer] Congress will decide that. It could never mean that our oil would again fall under the control of the multinational enterprises. Veba Oel contributes in one area of our oil industry. What I have criticized is ignoring congressional approval.

[Question] Will the multinational enterprises return to exploit Venezuelan oil?

[Answer] I think direct exploitation, exclusively by them, will never happen again in Venezuela.

[Question] How about associated with private national capital or the state?

[Answer] Well...those are the problems that must be studied based on Article 5. That would require congressional approval, not a government decision.

[Question] The foreign investors have their sights on the Faja del Orinoco.

[Answer] Who is that oil in the Faja for, us or the large industrialized nations? I think it is very clear that it is for the large industrialized

nations. I am not stipulating the type of participation foreign investment must have but I do believe it is a question we must consider.

[Question] Since you say the oil is for them, I repeat: What type of agreement and what type of participation will the foreign investors have?

[Answer] That is a very delicate question. So much of our national economic sovereignty is at risk that it cannot be answered generally. It would be necessary to put an idea for participation in black and white in order to discuss it and see how it goes.

[Question] Association or loans?

[Answer] There might be another formula besides association or loans.

[Question] What?

[Answer] I do not have it on hand; therefore, I cannot say.

Oil Debt

[Question] In its macroeconomic projections, CORDIPLAN [Office of Coordination and Planning] predicts a foreign debt--of the oil sector--of \$4.5 billion for this 5-year period. Is that debt for the oil industry specifically or for the state in general?

[Answer] I don't know about that CORDIPLAN projection. If it speaks of oil debt, it is for the oil industry because oil will never be used for indebtedness by the national government. Both law and common sense prohibit this. That was one of the serious errors the previous government committed.

Self-Criticism?

[Question] Doesn't the appeal that the indebted countries of Latin America are making now to foreign investment imply self-criticism? There was so much literature just a short time ago against foreign investment....

[Answer] No responsible person in Latin America has ever been against foreign investment. Foreign investment is indispensable, necessary and a condition for our future. The Andean Pact conditions foreign investment so that it does not become a means to impoverish and rob us but becomes a formula for our progress with profit stimuli for the multinational investor. When this matter is discussed, transferring the basic enterprises to multinational ones is never under consideration.

[Question] The investors have been criticized, blamed and thrown out of our countries. Press archives prove this.

[Answer] That has never happened in Venezuela! That would happen under extremist regimes like Cuba.

[Question] Latin American political leaders bitterly criticized foreign investors. That is in the press. What has happened that we are now inviting the investors we criticized before?

[Answer] We continue making those criticisms. Foreign investment came to our countries at one time to rob us, make us more dependent and impoverish us. Therefore, we have taken a new road: investment conditioned on our national interests.

Relations with Colombia

[Question] Monday in the Forum Colombian president Belisario Betancur proposed creation of a binational enterprise to preserve our river basins and exploit the oil along our immense border.

[Answer] The agreements signed between my government and Alfonso Lopez Michelsen's included, for the first time, one of joint preservation of our common river basins. This is one of the most important decisions we have to make. I praise, welcome and recognize Betancur's proposal for its Latin Americanist spirit. The creation of a binational enterprise for the protection and development of our common river basins is very interesting to me. I think it should be the object of an immediate study by the two countries through a new joint committee.

[Question] What about exploitation of the oil?

[Answer] That is precisely part of one of the ideas Alfonso Lopez and I discussed to solve the controversy of the marine and submarine areas in the Gulf of Venezuela. We must analyze these matters calmly, with integrationist criteria, thinking about the future of our countries and the basic idea that we have no individual destiny.

1988 Candidacy

[Question] Your candidacy is openly discussed and so is the fact that President Lusinchi, Minister of Interior Octavio Lepage and Secretary General Manuel Penalver are opposed to it.

[Answer] The fact is that Democratic Action decided that this topic would not be discussed. I am not going to violate that norm. When the party opens the discussion, I will decide.

[Question] Canache, Pinerua, Morales, Lepage, Leandro, Penalver and Celli are already preparing their teams.

[Answer] Haste makes waste.

Union Bureau Pressure

[Question] Wouldn't the complaints of the union bureau (demanding the resignation of the economic cabinet and others) be related to the position it adopted

when it decided to support Lusinchi's presidential candidacy? It was said then that the future president would only have complete autonomy in national defense and foreign policy.

[Answer] Democratic Action is not a party divided into unions or sectors. It is united. The union sector is urging the government, in the name of the workers and as a basic element of the CTV [Confederation of Venezuelan Workers], to pass measures to alleviate the serious economic situations of rural and urban life. Democratic Action completely endorses the government of Jaime Lusinchi.

[Question] Do you remember the position of the bureau when it conditioned its support for Lusinchi's candidacy?

[Answer] Yes, the bureau conditioned its support. There were statements by some top union leader of the party. I do not remember who.

7717
CSO: 3348/511

END